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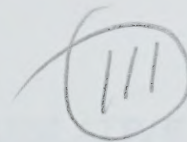






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## Legislative Assembly of Ontario

First Session, 36th Parliament

## Assemblée législative de l'Ontario

Première session, 36<sup>e</sup> législature

# Official Report of Debates (Hansard)

# Journal des débats (Hansard)

Tuesday 30 April 1996

Mardi 30 avril 1996



Speaker  
Honourable Allan K. McLean

Président  
L'honorable Allan K. McLean

Clerk  
Claude L. DesRosiers

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# LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday 30 April 1996

# ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

Mardi 30 avril 1996

*The House met at 1333.  
Prayers.*

## MEMBERS' STATEMENTS

### ONTARIO SPECIAL OLYMPICS SPRING GAMES

**Mr John C. Cleary (Cornwall):** I am honoured to rise today and congratulate the hardworking members of my community who will make possible the 1996 Ontario Special Olympics Spring Games.

Cornwall will play host to the 725 athletes and 200 coaches when the torch is lit on Thursday, May 2.

Athletes from across Ontario will participate in the disciplines of swimming, power-lifting, floor hockey and five- and 10-pin bowling. For months, the Special Olympics games coordinator has been actively promoting community involvement, and I'm pleased to say that Cornwall and area residents have responded with offers to volunteer their time as well as make financial donations.

Service clubs, the police force, the chamber of commerce, the amalgamated transit unions and many others have helped to raise the entire amount of money needed for the games, a first in Special Olympics history. However, to quote the chairman of the organizing committee, Brian Snyder, "All the money in the world couldn't put this together without the volunteers." Congratulations to the organizers and the more than 300 volunteers who will make the 1996 Special Olympics games in Cornwall a phenomenal success.

I invite all members of the Legislature and the public of Cornwall and area to come to Cornwall on May 2 to 5 to watch Ontario's finest athletes compete for gold. Best of luck to all the athletes.

### TAX REDUCTION

**Mr Tony Silipo (Dovercourt):** Today I rise to bring to the government's attention the replies I have received from hundreds of people in my riding, which reflect the response from many people I know across the province objecting to the Mike Harris agenda, specifically to the impact of his tax cut and the reason for his tax cut, the fact that services are going to be slashed and the fact that the benefits of those tax cuts are going to go to the wealthiest citizens in this province.

I want to read for the benefit of the government members just some of the quotes from some of the letters I have received.

One person in my riding writes, "It's more important to me to reduce the deficit than it is to get a tax break."

Another person writes: "I'm very sorry to see what is happening and what will result from the rash actions of

Mike Harris' government. Ontario will no longer be a province representing dignity, compassion for the less fortunate, and even cleanliness...if we allow the Tories to continue."

Yet another writes: "I'm glad to hear you are concerned about the negative effects of the current Conservative agenda. As an ESL instructor in adult education I want to add my voice, and the voices of many, many adult immigrants. They are working hard to find their place, their work, here in Ontario, in Canada. At the level I teach, we are talking about nurses, engineers, doctors, accountants—let us help them, keep them, so they can contribute to a strong, healthy, educated Canada."

That is typical of the responses I'm getting from people in my riding and I know throughout the province who are saying to Mike Harris: "Think again. The tax cut is not the way to go."

### MARTIN STREEF

**Mr Ernie Hardeman (Oxford):** I rise today to honour an outstanding young farmer in my riding, Martin Streef. Martin, who owns and operates Streef Produce Ltd with his family, was recently named Ontario Region Outstanding Young Farmer for 1996. He was chosen from among dozens of farmers from throughout this province. He and nine other finalists were judged in five categories, including progress in agricultural career; extent of soil, water, and energy conservation practices; crop and livestock practices; farm management and financial practices; and contributions to the community and nation.

His roots are in the agricultural area. He grew up on a hobby farm in Oxford Centre and began his career by growing five acres of fruit, vegetables and flowers. He sold his goods on Saturday mornings at a local farmers' market. At age 19 he founded Streef Produce Ltd with his brothers and partners. Today he is the president and CEO of one of the largest potato operations in Ontario. That operation is still a family affair. Until the birth of their son recently, Martin's wife, Olivia, worked in the sales department. Two of his brothers, Peter and Albert, handle sales. His brother John operates the potato crop and his youngest sibling, Jacob, grades, packs and ships produce.

When Martin is not busy in the field or doing paperwork, he finds time for the community as president of the Woodstock Optimist Club, a director of the Woodstock Big Brothers Association, a member of the Ontario Fruit and Vegetable Growers' Association and an active participant in round table discussions with the provincial and federal agriculture ministries.

It is obvious that Martin Streef is an outstanding member of the—

**The Speaker (Hon Allan K. McLean):** The member's time has expired. Order.



## BASKETBALL CHAMPIONSHIPS

**Mr Dominic Agostino (Hamilton East):** I would like to take a moment to offer my congratulations to the Hamilton Transway Minor Bantam Basketball Club for their recent performance in the Ontario Basketball Association provincial championships.

Utilizing the talents of girls from Hamilton, Dundas, Oakville, Ancaster and Flamborough, both the triple A and double A teams did extremely well. The triple A team finished first in the province and the double A team finished second, winning the silver medal. After working incredibly hard all season, both teams pulled it all together for the tournament, and these excellent results put the crowning glory on a highly successful season.

Mention must be made of the triple A team, who finished first in the province. The young ladies included Jessie Lamparski, Erinn Belot, Justine Pavaras, Jessi Tomasin, Angela Valvasori, Heather Gale, Natalie Downey, Marina Rusich, Paula Gale, Rachel Hart, Heather Angus, Cari Te Boekorst, and their coach, Larry Angus.

## 1340

The second-place finishers in the province, the double A bantam team, included Shannon Coskey, Tara Boyce, Meagan Curtis, Vanessa Gogorza, Stephanie Thibault, Stephanie Kakoski, Vanessa Juzeks, Karen Zmirak, Amanda Fusina, Emily McNabb, Rachel Venner, Alannah Grady, Andrea Benvenuto, and their coach, Lorne Venner.

Congratulations to both teams; a tremendous effort by young ladies who worked very hard year-round and put it all together. They have made the region and this province very proud, and I'm sure the House shares congratulations for those achievements.

## EDUCATION FINANCING

**Mr Howard Hampton (Rainy River):** The government continues to say its tax break will not impact on the necessary services across the province. So isn't it interesting that I get a letter from the Fort Frances-Rainy River Board of Education which was directed to the Honourable John Snobelen, Minister of Education and Training, wherein the board says to the minister:

"Your stated goal for boards to strive for vis-à-vis direct classroom expenditure and non-classroom expenditure is 60%-40%. According to the ministry's own figures..., our ratio in 1994 was 63.1%-36.9%. We have already exceeded the...goal" that you, as Minister of Education, have stated. If they are going to make cuts, obviously the cuts will be in the classroom.

What are the cuts this board of education is being told to look at? "We are...forced to look at eliminating our speech program for children with speech and language difficulties, and a special behavioural class for children who simply cannot function successfully in regular classrooms. We live in a relatively remote, underserved area. Without our programs these children have virtually nothing."

The tax break is hurting all kinds of children across Ontario.

## LEASIDE SKATING CLUB

**Mr John L. Parker (York East):** I'm pleased to bring to the attention of this House the accomplishments of the award winners and volunteer organizers of this year's Leaside Skating Club season.

In a club which features broad-based participation, discipline and excellence, all of this year's skaters showed themselves to be outstanding. Particular distinction was earned by Katie MacKenzie, gold ladies' free skate winner and bronze medalist at COSIC; Mary-Helen French, junior bronze ladies' champion and COSIC junior silver solo dance champion; Lenka Zemanek, junior silver free skate champion; Courtney Bulmer, silver artistic ladies' champion; Sara Buckley, preliminary ladies' champion; and Louise Westin, bronze artistic ladies' champion.

Winners of the Chuck Kiel Memorial Award were Mary-Helen French, Stacey Phoenix and Heather Vigna; winner of the Parnell Trophy was Dafne Gokcen; winner of the Ord Trophy was Lee Yoshida; and winner of the Don Wadlow Award was Yvonne Butorac.

Canadian Figure Skating Association gold medal status was achieved by Suzanne Bradwell and Katie MacKenzie.

The strength of the Leaside Skating Club is its volunteers, including its volunteer board of directors. President of the club this year was Liz French. Other board members were Dayle Snack, Marnie Phoenix, Uldis Zommers, John Piper, Kathy MacKenzie, Anne Bradwell, Michael Crowley, Patrick Devine, Ilona Gamble, Valerie Holland, Barbara Horman, Katy Lovrics and John McKinley.

Volunteers are the heart and soul of our community in East York. Another successful skating season at Leaside, culminating in the professional quality production of Musical Blades '96 last weekend, featuring all of the skaters of the club, proved that the East York tradition of active volunteerism continues to thrive in the field of skating.

## FAMILY SUPPORT PAYMENTS

**Mr Gilles E. Morin (Carleton East):** The family support plan was created to assist parents and children in collecting support payments owed to them by a delinquent parent and ordered by the court. Today, about 25% of such support payments are more or less recovered.

We know many single parents turn to social assistance when their financial needs could be met by spousal support. This should prompt this government to administer more effectively the family support plan and make it more responsive to those who depend upon it.

Instead, we have a situation such as the one outlined in the Ottawa Citizen's editorial yesterday, where a 1-800 line is the only number available to the general public. Unfortunately, there is rarely a person at the end of the line to answer questions or provide information.

About 15% of the case work in my constituency office deals with the family support plan. Single parents are calling my office because they cannot get through the 1-800 line. They cannot obtain information directly from the regional office.

Does the minister really expect service to improve if these regional offices are closed and the family support plan is centralized in Toronto? It may make great econ-



omic sense from this government's perspective, but we must question whether the persons dependent on the plan will benefit.

The point of the whole exercise, it seems, was to help custodial parents and children. Clearly this is not happening. I am calling on the minister today to take immediate measures to resolve this urgent problem.

#### TAX REDUCTION

**Mrs Marion Boyd (London Centre):** I too have been receiving a lot of mail from my constituents around the tax cut. I'd like to read from only two of those letters.

The first is from a person who says: "I work with seniors and the disabled, and the prescription drugs that most of these people use or take are vitally important to them. Without their prescriptions they would not be capable or productive. These people don't have enough money now, let alone after the cuts. Mothers have nothing. Children are going hungry every day. All the things Mike Harris is doing is making it worse. We can get out of this hole we are in, but we can't afford to hurt the people that will be hurt through these tax cuts."

The second one is from a single mother who talks about her difficulties in dealing with the welfare cut, but she says she is dealing with that; her real concern is education.

She says: "Last of all, the thing that scares me even more is that the adult education school I go to is threatened at being shut down. Students will have to pay tuition fees like college, and I can't afford that. I won't be able to get my high school diploma. What employer would hire me? What kind of jobs would I even get? I see education as the key out of poverty and far away from welfare, but as you know, my education future and dreams are being threatened by the tax cut."

We've received hundreds and hundreds of letters that tell personal stories like this, and all are claiming that the tax cut is destroying their opportunity to change.

#### QUEEN'S UNIVERSITY

**Mr John R. Baird (Nepean):** Next month, Queen's University will offer the highest quality of business education ever seen in Canada with the launch of the new Queen's MBA program for science and technology. This is certainly good news for graduate education in Ontario.

It's good news for students because Queen's University has improved both quality and accessibility. By concentrating the program into just one year, Queen's has actually made it less expensive for a student to take an MBA. By raising tuition fees, Queen's will spend more than twice what other schools spend on program delivery per student.

Queen's also has a performance guarantee: It will loan qualified students the funds they need and students don't pay back a dime until they earn at least \$50,000 a year.

It's good news for the taxpayer because the Queen's MBA program receives no government funding, and it's good news for Ontario's economy, because no sector is more vital to our competitiveness than science and technology. Queen's will develop the leaders of the future—in the industries of the future.

As a Queen's graduate, I congratulate Ken Wong, Tom Anger, Dean Margot-Northey and the many others at the Queen's school of business who have worked so hard to make this exciting and innovative program a reality.

#### ORAL QUESTIONS

##### INDEPENDENT HEALTH FACILITIES

**Mrs Lyn McLeod (Leader of the Opposition):** My first question is to the Minister of Health. Minister, last week you were in Ottawa and while you were there you took some considerable pride in announcing there would be new kidney dialysis services provided in eastern Ontario, and indicated that in Ottawa and Cornwall a private sector, for-profit company would be allowed to provide that service.

Your government is currently negotiating with an American firm based in Boston to provide these services. The company's name is National Medical Care. Minister, National Medical Care is under criminal investigation in three separate US states.

My staff spoke with officials of National Medical Care today and confirmed the following:

In New Jersey, National Medical Care is under investigation for selling defective products and for its handling of customer complaints. Second, in Virginia, National Medical Care is under investigation for contracts between the company's kidney dialysis service and third parties who act as medical directors and provide other services. In Massachusetts, National Medical Care is under investigation for insurance fraud.

1350

Minister, when did you become aware that the American company your government is negotiating with to provide kidney dialysis services to Ontario residents was being investigated for insurance fraud and selling defective products?

**Hon Jim Wilson (Minister of Health):** I and the ministry became aware after we made the announcement. I say to the honourable member that people shouldn't jump to conclusions on this, in that—let me explain the process—it was a sealed legal tender in which no politicians were involved. The information provided to the ministry by Dr Posen, the owner and proponent of the Canadian-owned non-profit independent health facility that's to provide dialysis services—you're right, it was one of four in the announcement we made in Ottawa. It wasn't until either later that day or the next day that someone said—perhaps it was the next day when the Ottawa Citizen came out and said a Boston company by the name of the company referred to was going to run it and that Dr Posen would have it as a management team. Now, keep in mind that the employees will be Canadian, with respect to the nephrologist and the nurses who work there.

But nothing's been signed. Part of the process, as you know, is that the ministry in all cases—I simply announced the leading contenders for the tender based on the information they provided; those were the ones I announced. Nothing's been signed, and you can be sure we are having and will be having discussions with Dr



Posen about the information he provided my ministry and about what his intentions are in providing those services in the future.

**Mrs McLeod:** If you're suggesting that we shouldn't rush to conclusions, I suggest to you that you shouldn't be in such a rush to make announcements or to trumpet the cost-efficiency of privatizing our health care services.

You went to Ottawa and you announced these new services with a great deal of fanfare. I find it truly hard to believe that as a minister you held a news conference to announce this wonderful new plan without even checking out the company you were negotiating with to provide the service. This was not difficult information to come by. You didn't need to rely on a news report to find out about this. It took a simple check of US information services, which my staff made, and a couple of phone calls to confirm this information.

You are the minister responsible for making this announcement. Surely you would have done the investigation to determine that criminal investigations being carried out on this particular company relate very directly to the exact types of services National Medical Care is potentially going to contract to provide in Ottawa-Carleton: kidney dialysis services. You have a responsibility to explain how this could possibly have happened. Why did you fail, as minister, to do a proper investigation of this firm before the negotiations with them began?

**Hon Mr Wilson:** We had a number of people reply to the tender or the request for proposal, and based on the information that was provided, we took Dr Posen, who is a Canadian, who as an individual is a highly respected nephrologist, or kidney specialist, in the Ottawa-Carleton area—we took the information that was provided.

But part of the process, as the honourable member knows, is the negotiations in terms of quality and price. All our independent health facilities are run by physicians, and where medical procedures are conducted the College of Physicians and Surgeons has responsibility for quality assurance.

I would caution the honourable member, because we went through this on Bill 26. There are 1,100 independent health facilities out there, all of them approved by previous governments. These are the first ones I've approved. They're run primarily by doctors doing diagnostic clinics, most of them, abortion clinics and that, and we've not checked the passports of the management team and neither did any of your governments. We don't know who the management teams are for those. The requirements were that a Canadian non-profit corporation establish these, prior to Bill 26, and those safeguards are still in place after Bill 26. I dare you to say today that all 1,100 we have out there now are wholly managed by Canadians or that you're sure exactly who the financial backers for the 1,100 institutions are now.

We brought in safeguards in Bill 26 to ensure that, for the first time, this government could refine and further refine the requirements to be contained in the request-for-proposal process. As a result of finding out this information through a media report after we made the announcement, we are investigating this, talking to Dr Posen and making sure we get the highest-quality services at the best price, which is what he was to live up to in the request-for-proposal process.

**Mrs McLeod:** The highest possible services at the least price, with a company that is being investigated for shoddy services, a company that was being investigated and was being widely reported in the American press long before you made your announcement—in February of this year, in October of last year. In July of last year, a correspondent reported that the Justice Department was investigating allegations about National Medical Care.

Minister, we are not talking about the other 1,100 independent health care facilities; we are talking about the one independent health care facility that you were about to approve. It is a direct result of Bill 26, Minister, because with Bill 26, in spite of all objections, you opened the door for US health care profit-making providers to come into this province. You took away the Canadian preference rule and that's why National Medical Care was even allowed to bid on providing kidney dialysis services in eastern Ontario.

You say they won the contract because they had the lowest price, but you assured the public that the quality would not suffer. We warned you that services would suffer if you allowed US profit-making companies into Canada, and now we learn that a grand jury in New Jersey is investigating this company for shoddy service.

Minister, you gave yourself unparalleled powers under Bill 26, powers to decide—you and you alone—which American for-profit companies would be allowed into the province of Ontario. There are no checks and balances on your decision-making power. You have a responsibility today to tell us, because Bill 26 was flawed, what you will now do, what steps you will take to make sure this never happens again.

**Hon Mr Wilson:** For an honourable member who in one of her earlier questions took pride in her research, her research is indeed shoddy. This tender was a matter of public record and was put out prior to Bill 26. These tenders were begun in September of last year. This particular tender would have been out in October, November at the latest, long before Bill 26 went through this Parliament.

Secondly, let's not leave on the record any falsehoods about Bill 26 with respect to this. The previous Canadian preference in the previous Independent Health Facilities Act, you know, or you should know, held no weight in law whatsoever. We cleared up Bill 26 to make sure that we could put further stipulations, tightening up, actually checking to make sure they are Canadian, which was not part of the Independent Health Facilities Act prior. At the end of the day, after Bill 26 went through, everybody except the Leader of the Opposition agreed that what we did was to tighten it.

I will say, with respect—and all I can do is be honest, the way my parents raised me in Alliston—that when I became aware that National Medical Care was involved with Dr Posen, who is a respected nephrologist from the Ottawa-Carleton region, who is the proponent of this, that his name, as owner of the clinic, was on the tender, when we became aware of that, we began investigating it, and that's what we're doing right now.

**The Speaker (Hon Allan K. McLean):** New question, the leader of the official opposition.

**Mrs McLeod:** I had intended moving to the Minister of Education and Training with a question, but I'll give



him a reprieve for today and stay with the Minister of Health.

Minister, I find it absolutely incredible that with all of those words, you haven't answered a very simple question: Is it true or is it not true that under Bill 26 you gave yourself as Minister of Health unprecedented powers, first of all, to allow any company, profit-making or not-for-profit, to come in as an independent health facility without a Canadian preference, and potentially even without a request for proposal, although I'm not suggesting that was the process followed in this case? Do you or do you not have the power to make those decisions?

**Hon Mr Wilson:** Yes, today I fully have the power to decide whether it's a Canadian company or not, which did not exist in anything other than words. Under the previous Independent Health Facilities Act, anyone could set up a non-profit Canadian corporation as a front to run an independent health facility in this province. Bill 26 allows us to check beyond that to make sure they truly are Canadian, if that is the desire and the contents of the tender that we put out.

1400

Secondly, with respect to the particular case that's raised here, all three names that appear in the tender document for this Canadian non-profit organization that is to run Ottawa-Carleton dialysis services are fully Canadian, respected physicians in this province, and my ministry and I had no reason prior to the Ottawa Citizen article to suspect there was anything behind this with respect to American involvement. Once we found out, we immediately started talking with them and want to find out exactly what all the facts are in this case, and that's what we're doing now.

**Mrs McLeod:** Minister, it would not have required a great deal of effort on your part to determine whether or not the names in the proposals were Canadian. I'm sure it would not have taken a great deal of effort on your part to determine that the company which was being negotiated with to manage the service, to provide that service for that Canadian-based group, was in fact a US profit-making company, National Medical Care, nor would it have taken you much effort to find that this company was under criminal investigation in the United States for providing essentially similar services to what they were being contracted to provide in Ontario.

Did you make any effort to check on the company that was being negotiated with to provide these services in Ontario?

**Hon Mr Wilson:** Yes, we checked with the company we were negotiating with, which was Dr Posen, who is a very highly respected nephrologist in Canada in the Ottawa-Carleton region. That is the company we were negotiating with. Where his employees were coming from, we were not at that stage. As far as I'm assured now, there are still Canadian nurses and there are still Canadian nephrologists. Where his management team was coming from, which I assume is one or two people, no, we did not check that. We were not aware of that.

Very clearly, the company we were dealing with is a non-profit Canadian company owned by Dr Posen. That is what the tender documents show and we took him on good faith with respect to those documents.

**Mrs McLeod:** Let me understand this, Minister. You've acknowledged that you, and you alone, as a result of Bill 26, have the powers. It is Bill 26 which allows the Minister of Health unilaterally to determine that independent health care facilities can be licensed in the province of Ontario without a Canadian preference. That is clearly your decision and you've acknowledged that in the House today.

You, and you alone as Minister of Health, are also accountable to the people of this province for the quality of the services they receive. Do you not feel that you have a responsibility to check not just the Canadian companies presenting the proposal but in fact the companies that will be managing and providing the services to Ontario residents? Have you no responsibility to ensure that this service will be of the highest quality, indeed that it is all aboveboard?

You are the only elected member. Are you suggesting that with the sole ability to decide who gets a licence, you feel you've discharged your responsibilities to Ontario residents by simply checking out the presenting Canadian company and leaving that responsibility to non-elected people to determine whether they are going to be able to provide quality service? Is that what you're telling us today?

**Hon Mr Wilson:** Nothing could be further from the truth. For the first time in the history of Ontario we brought in quality guidelines for dialysis services. That's what the request for proposal was all about. The preference of this government is highest quality at best price, in that order. You people let out tenders across this province with no quality guidelines as to what your performance measurements were going to be, what your expectations in terms of quality of medical services were going to be on behalf of the people of Ontario. You are very free to check the tender here. The fact of the matter is, we put in extensive clauses for the first time on the quality that any company must meet.

We also can fully retain the right in Ontario to have Canadian preference if that's required, but I would remind the honourable member that this contract was done prior to Bill 26. Perhaps if we had had Bill 26, I would have been able to check fully the passports of everyone who might work at the clinic, if that's what the honourable member is suggesting.

I again remind the honourable member that for the first time we have brought in quality guidelines, that it's not just politicians with this responsibility but that the College of Physicians and Surgeons has a responsibility also to help us ensure quality assurance. We're very confident, with respect to the other dialysis services we've done around the province, that we are going to get very high quality or they won't continue to have their licence as an independent health facility. That is the bottom line.

1410

## TAX REDUCTION

**Mr Bud Wildman (Algoma):** In the absence of the Premier and the Minister of Finance, I have a question for the Chair of Management Board. As we all know, this is tax filing day and these are mailbags with a lot of returns dealing with the issue of taxes.



The Premier has attempted to pretend that the government spending cuts have nothing to do with financing the proposed tax cut. As a matter of fact, today he told a reporter: "Well, of course...there's no relationship between the spending reductions or the new spending and the tax cuts. They're two separate policies." This communication spin by the Conservative government isn't fooling anybody in Ontario. Just as there's only one taxpayer, there's only one bottom line. This is part of the same package.

*Interjections.*

**Mr Wildman:** Obviously the Conservatives seem to be upset about this, but we want to present to the government 102,000 returns on a mailout where people have indicated that they want us to tell the government they don't want this tax cut at the expense of more expensive drugs for seniors and at the expense of food for kids or transportation for the disabled. The question really is, as we send these over to the Chair of Management Board for his government, will the government listen to what these people have to say? Will you recognize that your determination to have a tax cut means fewer services for people who need them, and will you change your position?

**The Speaker (Hon Allan K. McLean):** Take the sacks out.

**Hon David Johnson (Chair of the Management Board of Cabinet):** I believe this government has a strong reputation for listening to the people of the province of Ontario. This government has kept the promises it made during the election.

I want to read just a short quote from the Premier. This quote was made one week ago.

*Interjections.*

**The Speaker:** Order, please.

**Hon David Johnson:** This quote was from a message one week ago. It says: "Tonight I want to announce more steps that will benefit hardworking people and their families. We're going to cut taxes for small businesses and new small businesses. The budget that we will introduce will include a modest tax cut targeted to the middle class. The full details of this tax fairness package will be outlined in the budget. We're on the side of the ordinary people and are very proud of that fact."

The Premier involved is Premier Glen Clark, the NDP Premier—

*Interjections.*

**The Speaker:** Order.

**Hon David Johnson:** Maybe they should bring some of the bags to Glen Clark, the NDP Premier of British Columbia.

*Interjections.*

**The Speaker:** Order. Would the members on this side come to order, please, and would the members on this side come to order, please. The leader of the third party.

**Mr Wildman:** Since the Chair of Management Board is interested in quotes, perhaps he would look at some of the comments made on the returns that he has received from people in Ontario. I'd like to read him a couple of those comments.

John Lukkarinen from Scarborough writes, "You don't have to be a rocket scientist to realize...Mr M. Harris' 30% tax break promise is totally unrealistic at this time."

Mrs Dorothy Skakoon from Windsor writes, "A tax break would be welcomed but not at the expense of others—that's blood money."

Mrs Olga McDaid of Thunder Bay writes, "I wonder if a tax break would cover all the user fees that will be imposed on the public with all the cutbacks?"

Obviously these people recognize that in Ontario, when you're talking about cuts to cut the deficit but at the same time you're bringing in a tax cut that will benefit the top 10% of money earners in this province far more than anyone else, they're going to pay for it in other ways. They're going to pay for it in fewer services and in more hidden taxes, or user fees.

The people in this province voted for this government's program. They promised a tax cut. They also promised not to touch health care, not to affect classroom education, not to cut agriculture and not to cut police services. In fact they've cut \$2 billion out of health care and \$400 million out of education, they've cut services and programs for farmers by 30% and they've cut police services.

**The Speaker:** And your question is?

**Mr Wildman:** Isn't it true that to keep your promise on the tax cut, you're breaking all your other promises with regard to safeguarding some of the most important parts of this budget and government services in Ontario?

**Hon David Johnson:** The answer to that clearly is, absolutely not. This government is living up to all its promises.

In terms of who is receiving the benefit of this tax cut, the leader of the third party will know that 90% of the taxpayers of the province earn under \$68,000, so clearly the maximum benefit goes to people with middle incomes or low incomes.

As the ministers have indicated, this government is committed to protecting the health care envelope. The \$17.4 billion has been protected, will continue to be protected. We made that promise during the election. We'll abide by that promise.

This government has committed to protecting classroom education. The amount of reduction, about a 3% reduction in spending across the province, permits school boards to implement the efficiencies and yet protect classroom funding.

It's the same with police. This government has exempted from any reductions the front-line policing. What has been reduced is the administration behind the scenes.

I believe the people of Ontario will say: "Right on. Administration costs should be reduced, but protect front-line services, protect education, protect policing." That's what this government has done.

**Mr Wildman:** It's obvious that this government is committed to trickle-down economics, which haven't worked elsewhere and won't work here.

Doesn't the minister recognize that the layoff notices in education haven't gone to administrators but have gone to teachers, teachers in the classroom, and that this government has broken its promise on the health care envelope? It is not a sealed envelope; in fact more has been cut than has been put back in, in terms of the transfers this minister says.



Doesn't this government recognize that the people of the province want balance? They want to see that you will meet your commitments with regard to education, health care, agriculture and policing. You're not doing it simply because of a commitment to meet a tax cut that means you're going to have to cut all these other services far more deeply and widely than you anticipated.

Can't you admit that you're making significant cuts to these areas where you promised not to, in order to meet the promise of a tax cut that will benefit, despite what you say, the top 10% of income earners in this province and not the rest of us?

**Hon David Johnson:** I clearly wouldn't admit to that, because it's not true. It's important that this government live up to all its commitments. People are looking for that in government, and clearly that's what we are delivering.

The reason Glen Clark in British Columbia is reducing certain taxes is the same reason we're reducing taxes in Ontario. The unemployment rate is too high. We need to stimulate the economy, we need to stimulate economic growth, we need to create jobs and we need to get people back to work. That's why we are introducing the income tax cut.

In the long run, with more people working, with more people drawing pay, there will be more taxes paid. There will be more income taxpayers, there will be more income tax paid, there will be more sales tax because those people will be buying. In the long run, this income tax cut will help this government balance its budget.

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#### MUNICIPAL TAXATION

**Mr Peter Kormos (Welland-Thorold):** I've got a question for the Minister of Municipal Affairs and Housing. The so-called Common Sense Revolution states: "Historically, municipalities have responded to provincial funding limits by simply increasing local property taxes. There may be numerous levels of government in this province, but there is only one level of taxpayer." The document goes further and says this very specifically: that this government will work closely with municipalities to ensure that any actions it takes will not result in increases to local property taxes.

As well, during the election campaign the Premier went further and signed a taxpayer protection pledge. He promised he'd reduce personal income taxes by 30% and wouldn't raise any others, and he vowed he would resign if he broke any of his promises. The Premier seemed to understand at the time—at least he led the people of this province to believe he understood—the interrelationship of provincial funding and local government finance. The Premier included words in his election pledges to sooth concerns over the property tax. He made people believe his numbers worked and that he could make the necessary cuts, implement a tax cut and balance the budget without affecting property taxes. Do the minister and his government still stand by those words?

**Hon Al Leach (Minister of Municipal Affairs and Housing):** We certainly do. I can name municipality after municipality coming out this year with no tax increases whatsoever. We're working very closely with the municipalities. They're more than prepared to work with us to

reduce costs through efficiencies, probably a word you haven't heard very often.

The city of Toronto, no tax increase. Metro, 1% to build a subway—good move. North York, no tax increase. Municipalities right across the province, no tax increase. They're working with us, something they didn't do with you.

**Mr Kormos:** As a result of this government's cuts, municipalities and school boards across the province are being forced both to cut services and raise taxes. The cuts are so deep that they're not choosing tax hikes instead of restructuring or tax hikes instead of service, because they're doing all three.

Examples: Sault Ste Marie, a 3.75% increase, at the same time raising user fees, your hidden taxes, for parks and recreation services and senior centres, and cutting transit services; York region, an increase of 1.4% in order to maintain police services; Peel school board, 1.7%; Simcoe county board, 3%; Sudbury school board, 5.9%; Sudbury separate school board, 4.5%; Waterloo County Board of Education, 1.9%; Metro separate school board, 1.5%; the Windsor school board is contemplating a 3.9% tax hike.

These guys don't want to admit it, but these property tax hikes are a direct result of their need to create fiscal room for their tax cut, for their tax break for the richest in this province. This minister said he was going to work closely with municipalities to ensure that any actions they take will not result in increases to local property taxes. What has he done with respect to these municipalities?

**Hon Mr Leach:** It's absolutely amazing that a party that raised taxes 33 times and just battered the hell out of municipalities would have the audacity to get up and talk about tax increases of 1% or 2%, and most of those are with school boards. The tax increases by municipalities this year will probably be lower than any other year in the last decade, and they're working with us on restructuring because they realize that municipalities have to work more efficiently and more effectively and must restructure.

There are 35 separate restructuring programs under way at present, as of today, involving more than 100 municipalities. They realize the problems your government got us into over the last five years. They know they have to work with us to get rid of the deficit and get tackling the debt. They're prepared to work with us, and we're working with them.

**Mr Kormos:** That's pure horsefeathers and this minister knows it. It's been pointed out day after day that one of the problems with this government's so-called plan is that because of the spending cuts they're going to need to finance this tax break for their rich friends, user fees and property taxes are going to go up.

At the same time that this government has whacked municipalities and school boards with huge cuts to transfer payments—that's what they've done—the government has maintained that it won't affect services. We hear that over and over again. They've been very specific about their claim that the cuts to school board transfers will not affect classroom education, that they have to protect police services, so that municipalities and



school boards have to take the cut, not impact the level and quality of services and not raise the property tax.

Look what happened to the Sudbury Board of Education. Just last Wednesday they voted to increase the public school portion of property tax by 5.9%. In defending his decision, board chair Ernie Checkeris stated: "What do we do? Do you want us to kill children's education and screw up a whole generation?" As reported in the Sudbury Star, Mr Checkeris "insisted administrative and staffing ranks have been pared to the bone." So you're asking the impossible.

**The Speaker (Hon Allan K. McLean):** And the question is?

**Mr Kormos:** The minister is asking the impossible. How can you maintain that this income tax cut, this tax break to your rich buddies, will create jobs when the cash you claim to be putting in the hands of Ontarians is being eaten up with these property tax increases, the ones I've been citing to you today?

**Hon Mr Leach:** I find it really amusing sometimes. They sit over there and they say we cut social services spending by 20%, so there's no money to spend, it's going to hurt businesses. Then when we say we're going to reduce taxes and give money to spend, you say that's bad too.

**Mr Kormos:** Why have property taxes gone up?

**The Speaker:** The member for Welland-Thorold.

**Hon Mr Leach:** Which position do you want to take? Is he finished asking the question, Mr Speaker?

We're working with municipalities very closely. We've had more meetings with AMO. They agree with the actions this government has taken.

**Mr John Gerretsen (Kingston and The Islands):** How about the user fees, Al?

**Hon Mr Leach:** The user fees are an excellent way for municipalities—

**Mr Kormos:** What about the property taxes going up?  
*Interjections.*

**The Speaker:** Would the members come to order, please. Will the minister wrap up his answer.

**Hon Mr Leach:** That's the most hypocritical position I've ever heard.

## ENVIRONMENTAL PROTECTION

**Mr Dalton McGuinty (Ottawa South):** My question is for the Minister of Environment and Energy. This morning the World Wildlife Fund of Canada handed out its national report card. The report card marks each province on its efforts to protect natural areas. Ontario scored an F. In contrast, and I find this a particularly interesting contrast, Alberta scored a B, the second-highest mark in the country. Minister, what's your explanation for your government's failing grade?

**Hon Brenda Elliott (Minister of Environment and Energy):** I thank my friend opposite for the question. This is normally an area that my colleague the Minister of Natural Resources would be happy to respond to, but I'm pleased to answer on his behalf.

The protection of natural areas and sustainable management of this province's resources is a concern for this government. The Ministry of Natural Resources is

drafting an action plan for completing Ontario's system of protected areas. This plan will provide comprehensive criteria for designating new areas, and once this plan is in place, we will move forward.

We will meet its campaign commitment to provide an action plan, and I would like to note that this plan was started by the previous government, but the document failed to address properly the World Wildlife Fund's desire to balance environmental protection and job creation.

**Mr McGuinty:** In 1989, Ontario was further ahead than all the other provinces in the protection of its natural areas. In fact, Ontario was the very first province to commit itself to meeting the goal of establishing a network of protected areas by the year 2000. Your party made an election promise to have a plan for just such a network in place by December 1995. Four months later there's still no sign of that plan. Not only have you missed your own deadline; your commitment in even making a plan is now suspect.

Minister, when specifically will you be releasing your plan to protect Ontario's natural areas?

**Hon Mrs Elliott:** I would like to emphasize the fact that I think it's important we do not go forward in a piecemeal fashion. We are working on our action plan.

The other thing I would like to note is it's important that we have some decisions made with regard to boundaries. Certainly the first nations would be concerned about this, and there are some mining concerns that need to be addressed as well.

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## VISITOR

**The Speaker (Hon Allan K. McLean):** If I may have the indulgence of the House's time, we have a visitor in the gallery today, Mr Mel Swart, a former member for Welland-Thorold. Welcome, Mel.

## APPOINTMENTS PROCESS

**Mr Floyd Laughren (Nickel Belt):** I have a question for the Minister of Health. Minister, you will be aware, I hope, that the board of directors of the Association of District Health Councils in the province passed a motion last week regarding their concerns about your recent partisan appointments to local district health councils. The association sent you a motion calling on you to end your political interference in appointments.

The association has researched and documented the direct involvement of your political office in the appointments process and has found that a total of 23 parachuted appointments have been made in eight district health councils. You have ignored the legitimate, non-partisan recommendations made from district health councils in Ottawa-Carleton, Essex-Windsor, Brant, Waterloo, Simcoe, Hamilton-Wentworth, Halton and Sudbury. You've ignored recommendations from those district health councils.

Will you do the honourable thing and rescind those blatantly partisan appointments and start listening to the local associations that know better what's best for their community than you do sitting here in Toronto?



**Hon Jim Wilson (Minister of Health):** I'm aware of the letter from the Association of District Health Councils of Ontario. I'm also aware that the world doesn't exactly operate the way the honourable member suggests that it does in terms that every organization out there and every person who is on an advisory board to the government is necessarily non-partisan.

I'd be happy to give you the litany of names of very partisan people whom you appointed, as government, to the district health councils. You undid 20 years worth of non-partisanship, true non-partisanship, in our district health councils in Ontario, because district health councils were started as advisory boards 20 years ago by the Conservative government of the day to be truly the eyes, ears and conscience of local communities and to not take partisan shots at the minister through the local media, as we see very often in his own area, and they are indeed partisan shots.

Having said that, the record is clear: 80% of the DHCs' appointment recommendations to this minister have been approved by this minister and this government, a record better than the previous NDP government's with respect to accepting the advice of district health councils in this province.

**Mr Laughren:** I will not call the minister a liar, but what he just said is simply not true.

The Manitoulin-Sudbury District Health Council is a very good example of some of the most blatant political involvement we've ever seen in our community. The chair of the Manitoulin-Sudbury District Health Council, in a letter addressed to you, states: "In recent months, our council nominated 12 people for appointment and three for re-appointment after having rigorously followed the process set out in the information guide for appointments to DHCs. Council members are concerned that you have chosen to disregard their nominations. Further, council members are concerned that political affiliation now appears to be an important criterion for appointment."

This isn't happening in just one district health council; it's happening in at least eight across the province. The district health council says that you are undermining the community confidence, and that's exactly what you're doing, because I can tell you that in Sudbury your appointments are a joke. You must, you simply have got to, if you're going to restore confidence in the district health councils across this province, restore legitimacy and integrity to the appointment process. Will you do that?

**Hon Mr Wilson:** If the honourable member doesn't have confidence in his constituents who have been appointed to his district health council, you, Mr Laughren, are Chair of the standing committee on government agencies, boards and commissions, and if you don't have confidence in your own constituents, many of them put on your district—

**Mr Laughren:** It won't wash, Jim, I know my constituents better than you do.

**Hon Mr Wilson:** You tried this when I was up there and it didn't fly, Mr Laughren. These are excellent people, recommended in many cases by the medical society in Sudbury. They're your constituents and those

of Ms Martel and Mr Bartolucci, and if you don't have faith in your own good people, and all of them non-partisan, haul them before the legislative committee, which is your right, and challenge their qualifications in a public committee, and stop taking cheap shots at these good people who are volunteers and not paid a penny for their efforts.

## TEACHERS' PENSIONS

**Mr Rob Sampson (Mississauga West):** My question is to the Minister of Education and Training. I was flipping through the newspaper the other day and I ran across a rather startling article, I think it was in the Toronto Star, concerning the Ontario teachers' pension plan.

If I understand the facts correctly, and I must admit the facts were somewhat difficult to understand—frankly, they were overwhelming—it appears that the previous government, in its attempt to keep a lid on the escalating deficit they were dealing with, which they were generating, cut a deal, it seems, with the Ontario teachers' pension fund. It looks like this deal would say, all right, the government will let that pension fund off the hook, and I think the terminology was "holiday," although I'm not exactly sure what that word means, for yearly contributions to the pension fund if the province agreed to pick up a tab to the tune of an \$8-billion deficit in the pension plan at that time, a deficit I was led to believe was created by questionable investments in the fund.

**The Speaker (Hon Allan K. McLean):** Put your question.

**Mr Sampson:** Could the minister help me out and help my constituents out who have been calling me on this item, and advise as to whether this deal was indeed a done deal and what kind of financial mess has been left to the taxpayers of this province by the previous government sitting over there in this Legislature?

**Hon John Snobelen (Minister of Education and Training):** I agree with my colleagues who just commented what an excellent question the member for Mississauga West has raised today. The honourable member will know that I too have heard questions from my constituents because of recent media stories. My constituents, and I'm sure yours, are concerned not only that they have recently read they are on the hook for an unfunded liability for sick leave gratuities for about \$1 billion, but that because of the actions of previous governments in 1989 and 1992, some of which the member has alluded to, the taxpayers are on the hook for a liability with the pension fund of over \$8 billion. Not only will the taxpayers be paying for this next year, but their children—

*Interjections.*

**Hon Mr Snobelen:** The members of the opposition might want to hear this. The children of our taxpayers will be paying for this unfunded liability, because this will be paid out over the next 34 years, because of a deal arrived at by the previous governments.

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Although we've heard some people talking about the draconian effects of a reduction, of a request that boards



find savings next year of under 2%, about \$233 million, next year the taxpayers of Ontario will contribute almost \$1 billion to this pension fund because of those arrangements made by previous governments.

**Mr Sampson:** I'm still shocked. I can't believe these numbers. I cannot believe what the minister has been telling us.

**Mr Gerry Phillips (Scarborough-Agincourt):** Talk to Bill Davis; he did it.

**Mr David S. Cooke (Windsor-Riverside):** Where's Bill Davis?

**The Speaker:** Order. I can't hear the question.

**Mr Sampson:** I'm still shocked and so are the residents of my riding. I cannot believe we're expected to pass this debt on to my children and my children's children and my constituents' children. This is over and above the \$100-billion debt we were talking about before. It's now \$108 billion and growing every time we look at what this previous NDP government did. What can the minister possibly do to relieve us of this burden?

**Hon Mr Snobelen:** I know that not only is the member shocked but many people are shocked when they find out that not only is the province on the hook because of these arrangements for over \$8 billion but the \$1.2-billion experience gain that the fund has recently developed can't be used to satisfy that because of the arrangement made by previous governments. Indeed that is shocking.

One of the other things I think is shocking is that members of the opposition—both parties—and members of teachers' unions often quote the cost of education without including the cost of pension, without including this normal cost of compensation. I'm surprised by that. In our announcement a couple of weeks ago about our own compensation, this government recognized that pension is part of compensation. Maybe it's time the members of the opposition take that into account when they quote education dollars, and the same with the unions representing teachers. One of the things we can do is to recognize these contributions.

#### ALCOHOL INDUSTRY

**Mr Dwight Duncan (Windsor-Walkerville):** My question is to the Minister of Consumer and Commercial Relations. Since assuming office last June, you have had meetings with the Association of Canadian Distillers as well as representatives of individual distilleries, including Hiram Walker from my community, Corby and Seagram. The representations made to you and your colleagues were to the effect that the taxation on distilled spirits is unfair relative to other forms of taxation on alcohol. You've been exploring the whole alcohol industry. Have you made recommendations to the Minister of Finance with respect to this and is your government prepared to deal with the concerns that have been raised by the association, especially with respect to the jobs that could be lost if we don't?

**Hon Norman W. Sterling (Minister of Consumer and Commercial Relations):** I really appreciate the contribution the distilled spirits industry has done for the province of Ontario. Particularly, Hiram Walker in

Windsor is one of the largest distillers in the world. Past governments haven't recognized their contribution. In talking with the distilled spirits industry, I have said to them that as we go through the restructuring of our retail system, we will be considering issues like the distribution of taxes and markups with regard to all different products, and said to them very clearly that I recognized there perhaps wasn't an even playing field with regard to that sector of the alcohol industry.

**Mr Duncan:** You are no doubt aware that there have been some disagreements between the federal and provincial jurisdictions, and the federal government is looking for provincial agreement around the whole issue. Last week, in correspondence and meetings, the federal Minister of Finance indicated a willingness, if a jurisdiction like Ontario takes the lead, to look at the whole issue.

The Minister of Finance also wrote to me on June 30 and indicated, "In preparation for the upcoming budget, I will be reviewing a number of taxation issues, including the level of taxation on alcohol products."

Minister, the industry is really at a desperate stage. Indeed, last week Hiram Walker indicated a concern that it will close if this issue isn't addressed relatively quickly. Would you, with the Minister of Finance, agree to try to fast-track this and meet with the Minister of Finance to see if we can come up with some arrangements to try and protect the jobs that are left in Ontario, recognizing that since 1984 there have been over 8,000 jobs lost in the industry?

**Hon Mr Sterling:** You know, our government is going to bring forward a budget next week where we have promised some tax cuts. Unfortunately, our federal government has done the exact reverse.

I find it strangely ironic that the federal Liberals would meet in Windsor last week and start talking about tax cuts to distilled spirits. We've heard about promises about scrapping other taxes in Canada and in Ontario, and I don't know, when federal Liberals get together and start talking about scrapping taxes, whether they're serious or not. Were we not going to get rid of the GST in the province of Ontario and Canada? Isn't that what the Deputy Prime Minister of this country said in the past? She said she would resign if they didn't scrap the GST. Has she resigned?

If the federal Liberals would like to drop the amount of taxation that they are taking on distilled spirits, I would welcome that kind of leadership. I would welcome leadership on the part of the federal Liberals to decrease taxes, not increase taxes, as both the provincial and federal Liberals have done time and time again. It's time for the—

*Interjections.*

**The Speaker (Hon Allan K. McLean):** Order. The question has been answered.

#### HEALTH CARE

**Mr Floyd Laughren (Nickel Belt):** I have a question for the Minister of Health. We have learned that because of your government's cuts to the health care system,



cancer patients may no longer be assisted with transportation to where they have to get their radiation treatments. The Ontario Cancer Treatment and Research Foundation has been told to expect a cut in its budget this year. That means they will have to find about \$1 million somewhere. They plan to reduce their budget in the transportation area and in the next few years will completely phase out funding to the Canadian Cancer Society to provide transportation services, despite the fact that the Cancer Act in section 5 requires that they provide those transportation services.

I'd like to ask the minister if he feels it's now time to put an end to the big lie that you're not cutting health care services in this province.

**Hon Jim Wilson (Minister of Health):** I can only assure the honourable member, as I have on many, many occasions, that the health care budget was \$17.4 billion when we arrived in office; it's \$17.4 billion today and it will be \$17.4 billion each year going through the next election, as was our commitment to the people of Ontario in the last election campaign and in the Common Sense Revolution when we wrote it in May 1994.

I can assure you that that fact will be once again reconfirmed in Mr Eves's next economic statement or budget, that is, we have fully sealed the health care envelope. You've not been able to find, having just gone through an estimates process with the opposition parties here, any evidence contrary to that. The budget is fully sealed at our commitment.

With respect to the reduction in transfers to the Ontario Cancer Treatment and Research Foundation, yes, we did announce as part of the November statement and we more recently, in filling out the details of that statement, did announce a 5% cut. We do not want to see a cut in front-line services and we are making it very clear that they must find that 5% in administration, as we've done in the Ministry of Health, and they're not to cut front-line services. I thank the honourable member for bringing this point to my attention.

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### DECORUM IN CHAMBER

**Mrs Margaret Marland (Mississauga South):** Point of order, Mr Speaker.

**The Speaker (Hon Allan K. McLean):** The member for Mississauga South on a point of order.

**Mrs Marland:** Mr Speaker, my point of order is based on standing order 13(a), which reads as follows: "The Speaker shall preserve order and decorum..." Also, 20(b) says, "When a member is speaking, no other member shall interrupt such member..." I feel, as do a lot of members on all sides of this House, that the decorum in this chamber is deteriorating to a point of absolute disgust for us as members.

**Mr Len Wood (Cochrane North):** It's all because of the Tories.

**Mrs Marland:** You see what I mean? We have received from you at least four letters asking us to restore the decorum. I am standing in my place today, Mr Speaker, to ask you to review the tapes of the proceedings in this House so far today and to tell us if you

accept the proceedings in this House as a standard of decorum that you're proud of.

**The Speaker:** The member has made her point very well. I suggest that all members are guilty of the same offence. I would say to the honourable member that she should raise that issue in her caucus next Tuesday, and I would ask all chairs of caucus to raise the issue in their caucuses. Perhaps that would be the best way to solve the situation that we have.

**Mr David Ramsay (Timiskaming):** Mr Speaker, on this point of order: I must say I concur with the member for Mississauga South on this issue. In fact, as caucus chair, we were discussing this in the Liberal caucus this morning in our place. I would like to ask this Speaker if he would consider being strict with the questioners—and that's us in the opposition—but also with the responders in the government. I think if each of us on both sides would try harder to place our questions more succinctly and the answers in turn would come back to us more succinctly—and we'd ask for your assistance in that—we could have better decorum in this House.

**Mr Bud Wildman (Algoma):** On the point of order, Mr Speaker: I rise in support of my friend the member for Mississauga South and point out that while there have been many interruptions from all sides of the House, I was quite taken aback by the reaction on the government side when I tried to place my first question. I would really like all members on that side to take that into account and remember that all interjections are out of order.

**The Speaker:** I'm very pleased that the issue has been raised and I'm very pleased that the other members have taken the time to realize the problem that we have. I will certainly do my part to try to make question period a better place for all.

### NOTICE OF DISSATISFACTION

**The Speaker (Hon Allan K. McLean):** Pursuant to standing order 34(a), the member for Hamilton Centre has given notice of his dissatisfaction with the answer to his question given by the minister without portfolio, Workers' Compensation Board, concerning his report on the WCB. This matter will be debated today at 6 pm.

### PETITIONS

#### SPENDING REDUCTIONS

**Mr Dominic Agostino (Hamilton East):** Attached is a petition signed by 67 superannuated teachers of Ontario, district 13. It reads as follows:

"We, the undersigned, superannuated teachers of Ontario of district 13,

"Could much more readily accept the government of Ontario cuts if they were more equitably focused, rather than targeting the most vulnerable of our citizens;

"Would much prefer a comprehensive attack on the deficit, instead of a singleminded focus on expenditures only, which in our view jeopardizes the future of education, reduces the quality of health care, reduces the



supervision of our environment, attacks the wellbeing of our poorest citizens, many of whom are children, puts affordable housing at risk and increases costs for seniors, many of whom are on fixed incomes."

They recommend "a focus on our unemployment, which is a provincial disgrace, by making loans more accessible for new businesses, eliminating payroll taxes and possibly reducing the length of the workweek."

They recommend "an immediate study of employment as it will look in the next generation, and the preparation of a plan which promotes full employment in as short a period of time as possible. This would do much to eliminate the hopelessness which is rampant among many who are not wealthy Ontarians."

I submit this petition to the House.

#### WORKERS' COMPENSATION

**Mr Len Wood (Cochrane North):** I have a petition to the Legislative Assembly against the changes the Harris government wants at the WCB. They want to regain the fair benefits that were agreed to in 1915.

I affix my name to the petition.

#### SPEED LIMITS

**Mr R. Gary Stewart (Peterborough):** I have a petition to the Legislature.

"We, the undersigned, hereby apply to the Ministry of Transportation to have the speed limit on Highway 7 east from Television Road to Drummond Line in Otonabee township reduced from 80 kilometres to 50 kilometres for safety reasons."

I affix my signature to it.

#### NORTH YORK BRANSON HOSPITAL

**Mr Monte Kwinter (Wilson Heights):** I have a petition to the Legislative Assembly of Ontario.

"Whereas the final report of the Metropolitan Toronto District Health Council hospital restructuring committee has recommended that North York Branson Hospital merge with York-Finch hospital; and

"Whereas this recommendation will remove emergency and inpatient services currently provided by North York Branson Hospital, which will seriously jeopardize medical care and the quality of health for the growing population which the hospital serves, many being elderly people who in numerous cases require treatment for life-threatening medical conditions;

"We petition the Legislative Assembly of Ontario to reject the recommendation contained within the final report of the Metropolitan Toronto District Health Council hospital restructuring committee as it pertains to North York Branson Hospital, so that it retains, at minimum, emergency and inpatient services."

I have affixed my signature.

#### RENT REGULATION

**Mr Gilles Bisson (Cochrane South):** I have a petition from people out at St James Town in regard to the

government's plan to scrap rent control. It reads as follows:

"Whereas Mike Harris's Conservative government of Ontario is planning to destroy the present system of rent control; and

"Whereas Mike Harris and the Conservative Party made no mention of scrapping rent control during the election campaign of 1995 or in the Common Sense Revolution document; and

"Whereas a number of Conservative candidates in ridings with high tenant populations campaigned during the 1995 election on a platform of protecting the current rent control system; and

"Whereas the government has consulted with special-interest groups representing landlords and developers while cutting funding to organizations representing the 3.5 million tenants in Ontario; and

"Whereas, although all renters will suffer, seniors and others on fixed incomes will suffer particular hardship if rent controls are abolished; and

"Whereas eliminating rent control will result in skyrocketing rents;

"Therefore be it resolved, we, the undersigned, call upon the Legislature of Ontario to stop the attack on the 3.5 million tenants of this province."

I have signed the petition.

#### EDUCATION FINANCING

**Mr David Tilson (Dufferin-Peel):** I have a petition signed by 444 students from Orangeville District Secondary School objecting to the cuts by the Dufferin County Board of Education.

I wish to file this with the Legislature.

#### COLLEGE OF TEACHERS

**Mr Pat Hoy (Essex-Kent):** A petition to the Ontario Legislature.

"Whereas the public secondary teachers of Ontario have taken a workplace democracy vote in accordance with Bill 7 and have rejected the proposed College of Teachers by a 94.8% vote;

"We, the undersigned, urge the provincial assembly to instruct the government to withdraw Bill 31, the Ontario College of Teachers Act, 1995."

This petition is signed by a number of constituents from across the riding of Kent.

#### TAX REDUCTION

**Mr Bud Wildman (Algoma):** I have a petition signed by 253 residents of Ontario. It is addressed to the Premier, and it says:

"I'd like to tell you that it's more important for me to provide prescription drugs for seniors than it is to get a tax break. It's more important to help a person with disabilities to get work or feed a hungry child than it is to get a tax break.

"Mr Harris, stop the cuts. Keep your tax break. We want the kind of Ontario we're proud to call home."

I support the petition, and I affix my name to it.



## HIGHWAY SAFETY

**Mr Joseph N. Tascona (Simcoe Centre):** I have a petition with 30 signatures addressed to the Legislative Assembly of Ontario. It reads as follows:

"Whereas the OPP detachments of Wasaga Beach, Bala, Alliston, Shelburne, Midland, Barrie, Orillia, Bracebridge and Huntsville report 1,068 traffic collisions in the month of November 1995; and

"Whereas November 8th and 15th were peak snowfall periods and MTO services were not in full production; and

"Whereas there is a large population from these towns that travel to jobs in Toronto, Brampton and Mississauga that need roads plowed and sanded 24 hours a day due to shift work; weekdays and weekends during heavy squalls off the Great Lakes. In addition, the winter tourism industry to these areas draws approximately 100,000 weekend drivers; and

"Whereas the provincial government spending has reduced Ministry of Transportation services of no snowplows during 12:30 am to 4:30 am;

"We, the undersigned, petition the Parliament of Ontario to provide sanders and plows 24 hours a day for the following well-travelled routes:

"County roads 18 (Airport Road), Simcoe 10, and highways 50, 27, 400, 26, 10 and 24."

The petition is in the proper format and I affix my signature.

1500

## COLLEGE OF TEACHERS

**Mr Alvin Curling (Scarborough North):** A petition to the Ontario Legislature:

"Whereas the public secondary teachers of Ontario have taken a workplace democracy vote in accordance with Bill 7, and have rejected the proposed College of Teachers by a 94.8% vote;

"We, the undersigned, urge the provincial assembly to instruct the government to withdraw Bill 31, the Ontario College of Teachers Act, 1995."

I have affixed my signature to this petition.

## ASSISTANCE TO CO-OPS

**Mr Rosario Marchese (Fort York):** I have a petition that comes from many co-op members. They're very concerned about the federal government devolving their responsibilities away from co-ops and passing them on to the provincial governments. This petition is to the Legislature Assembly of Ontario, and it reads:

"Whereas the Ontario government has clearly indicated that it 'wants to get out of the housing business'; and

"Whereas the Ontario government is reviewing the legal contracts and budgets of every co-op housing project in the province; and

"Whereas the Ontario government has announced plans to make huge cuts to co-op and non-profit housing funding; and

"Whereas the Ontario government wants to replace affordable housing with subsidies to private landlords; and

"Whereas co-op housing is a proven success in providing affordable homes owned and managed by the people who live in them; and

"Whereas the actions of the Ontario government threaten to destroy stable, well-maintained communities which have been built over the last quarter of a century and the investment all Ontarians have made in this type of affordable social housing;

"We, the undersigned, request that the Ontario government sit down with the co-op housing sector to negotiate a deal which will ensure the long-term financial viability of housing co-ops and the continuance of rent-geared-to-income assistance upon which thousands of co-op members depend, and which will promote greater responsibility for administration by the co-op housing sector and less interference by the government in the day-to-day operations of housing co-ops."

I support this petition and sign my name to it.

## PUBLIC SERVICES

**Mr Ernie Hardeman (Oxford):** I have a petition signed by a number of residents in Oxford county expressing their concerns with the privatization of public services in Ontario.

## LIQUOR CONTROL BOARD OF ONTARIO

**Mr James J. Bradley (St Catharines):** I have a petition from a number of residents of Ontario. It reads as follows:

"To the government of Ontario:

"Whereas the government of Ontario appears to be moving towards the privatization of retail liquor and spirits sales in the province; and

"Whereas the LCBO provides a safe, secure and controlled way of retailing alcoholic beverages; and

"Whereas the LCBO provides the best method of restricting the sale of liquor to minors in Ontario; and

"Whereas the LCBO has an excellent program of quality control of the products sold in the stores; and

"Whereas the LCBO provides a wide selection of product to its customers in modern, convenient stores; and

"Whereas the LCBO has moved forward with the times, sensitive to the needs of its customers and its clients;

"Therefore, be it resolved that the government of Ontario abandon its plan to turn the sale of liquor and spirits over to private liquor stores and retain the LCBO for this purpose."

I affix my signature to this petition as I am in agreement with its contents.

## ST JOSEPH'S HOSPITAL

**Mr David Christopherson (Hamilton Centre):** I have a petition to the Legislative Assembly of Ontario, the Minister of Health and the Hamilton-Wentworth District Health Council:

"Whereas the Hamilton-Wentworth Health Action Task Force, as part of their report, has recommended the closure of St Joseph's Hospital in Hamilton; and



"Whereas it is recognized the health care system should be made as efficient as possible; and

"Whereas the quality of health care service in our community should not be sacrificed in the name of efficiency; and

"Whereas the Mike Harris government promised to protect the quality of health care in Ontario; and

"Whereas we, the undersigned, believe that maintaining the presence of St Joseph's Hospital in downtown Hamilton is a vital component of our health care system;

"Therefore, be it resolved that the Minister of Health and the Hamilton-Wentworth District Health Council ensure the continuance of St Joseph's Hospital at its present site."

I add my name in support.

### COLLEGE OF TEACHERS

**Mr John Gerretsen (Kingston and The Islands):** I have a petition here. It's addressed to the Ontario Legislature and it's signed by over 600 people from eastern Ontario.

"Whereas the public secondary teachers of Ontario have taken a workplace democracy vote in accordance with Bill 7 and have rejected the proposed College of Teachers by a 94.8% vote;

"We, the undersigned, urge the provincial assembly to instruct the government to withdraw Bill 31, the Ontario College of Teachers Act, 1995."

I have affixed my signature to it.

### PAY EQUITY

**Mr Len Wood (Cochrane North):** I have a petition and a number of letters signed from women in the town of Hearst.

"Since the Pay Equity Act was supposed to be reviewed this spring, I urge you to support the reversal of Bill 26 amendments to proxy pay equity.

"Please send me a letter stating that your position is in reversing Bill 26 changes to pay equity."

The resolution goes on to say:

"An extra \$1.50 would have meant a real difference to my life: more money to pay for food, clothing and rent, more money going into community businesses. As a taxpayer, more money would have gone back to the government to help pay down the deficit. Finally, I would have received a fair wage, even though I work in a mostly female workplace."

These letters and petitions are signed by a large number of women from the town of Hearst, Mattice and the surrounding area, as was the other one I presented earlier on the changes to the WCB from a number of men and women from the town of Hearst.

### ST JOSEPH'S HOSPITAL

**Mr Dominic Agostino (Hamilton East):** To the Legislative Assembly of Ontario:

"Whereas the Common Sense Revolution states that a Conservative government 'will not cut health care'; and

"Whereas during the 1995 election campaign, the Conservatives clearly promised to defend the health care system by protecting ministry funding, stating in a campaign backgrounder, 'There will be no cuts to health care funding by a Harris government,' and calling this their first and most important commitment...;

"Therefore we, the undersigned, call on the Minister of Health to reject all recommendations put forward by the Hamilton health task force related to any hospital closures in Hamilton-Wentworth, in particular St Joseph's Hospital, 50 Charlton Avenue East, Hamilton, Ontario."

I will add my name to that petition.

### RENT REGULATION

**Mr David Christopherson (Hamilton Centre):** I have a petition to the Legislative Assembly of Ontario.

"Whereas Mike Harris's Conservative government of Ontario is planning to destroy the present system of rent control; and

"Whereas Mike Harris and the Conservative Party made no mention of scrapping rent control during the election campaign of 1995 or in the Common Sense Revolution document; and

"Whereas a number of Conservative candidates in ridings with high tenant populations campaigned during the 1995 election on a platform of protecting the current rent control system; and

"Whereas the government has consulted with special-interest groups representing landlords and developers while cutting funding to organizations representing the 3.5 million tenants of Ontario; and

"Whereas although all renters will suffer, seniors and others on fixed incomes will suffer particular hardship if rent controls are abolished; and

"Whereas eliminating rent control will result in skyrocketing rents in Ontario;

"Therefore we, the undersigned, call upon the Legislature of Ontario to stop the attack on the 3.5 million tenants of this province."

I affix my signature in support.

### CHILD CARE

**Mr John Gerretsen (Kingston and The Islands):** I have a very short petition here, but I hope the government will take it very seriously because it deals with a serious issue. It's a petition in support of family resource programs.

"We, the undersigned, are firmly opposed to the erosion of the child care system. We are most particularly concerned about the unregulated child care sector which represents the choice of most Ontario families, many living in rural areas.

"We urge this government to make its budget reductions in areas where children and families will not once again be the target of cuts.

"Family resource programs support the informal sector of child care which includes parents caring for their own children and the care provided by grandparents, home child care providers and nannies."

I've affixed my signature to same.



## ORDERS OF THE DAY

### ONTARIO HIGHWAY TRANSPORT BOARD AND PUBLIC VEHICLES AMENDMENT ACT, 1996

#### LOI DE 1996 MODIFIANT LA LOI SUR LA COMMISSION DES TRANSPORTS ROUTIERS DE L'ONTARIO ET LA LOI SUR LES VÉHICULES DE TRANSPORT EN COMMUN

Resuming the adjourned debate on the motion for second reading of Bill 39, An act to amend the Ontario Highway Transport Board Act and the Public Vehicles Act and to make consequential changes to certain other Acts / Projet de loi 39, Loi modifiant la Loi sur la Commission des transports routiers de l'Ontario et la Loi sur les véhicules de transport en commun et apportant des modifications corrélatives à certaines autres lois.

**Mr Len Wood (Cochrane North):** As the previous day came to a close, I had a few more comments I wanted to make on Bill 39. The heart of this bill leads to complete deregulation of the bus industry in the province of Ontario. We know what's going to happen when complete deregulation of the bus industry comes. Communities in northern Ontario, small towns in southern Ontario are going to be devastated when you have the disabled, the seniors, the students who are not going to be able to have the bus service they need to get back and forth from universities and colleges, and some of them use the bus on the weekends to get back and forth from their workplace.

1510

The government is saying in their comments, "Well, if you're concerned about safety, we're going to address the issue of safety," but we all know that when you deregulate an industry, whether it be the airline industry or the trucking industry, larger carriers will come in and put the squeeze on the small carriers, and the small carriers as they start losing money will cut corners, as we saw when the Liberals and the Tories in Ottawa deregulated the trucking industry. We see transports driving with no brakes, we see tires falling off the transports, and this is what could happen to the busing industry.

We know that the highways are not going to be maintained any more, so if you deregulate the bus industry and the small communities have to rely more on private vehicles, and at the same time the Ministry of Transportation is giving pink slips to about 1,200 workers from the Ministry of Transportation, this is not going to help to repair the potholes that we have building up all over Ontario and especially in northern Ontario. Although we don't see the potholes on a day like today when a severe storm has hit and closed down the highways, closed down the schools—and we're almost at May 1—eventually, as the sun comes out and melts the snow there, we'll see the frost heaves and the potholes. With 1,200 workers less with the Ministry of Transportation, we don't have a winter maintenance program now that is sufficient and we're not going to have a summer program that is going to be sufficient to do the maintenance that is required.

Deregulation on Bill 39: We know it's going to lead to complete turmoil in some of the communities. The

previous speaker from the county of Perth: I raised the issue yesterday that I don't know why a lot of the Conservative backbenchers are not speaking out at their caucus meetings and saying, "Look, for the few dollars that are involved in giving a tax break to the wealthy and the upper 10% people in the province, why are we going to lose our buses in these communities?" Some of these communities are Conservative-held ridings, and they don't seem to care about the seniors, the disabled, the students who are going to be hurt out there.

We can go on and on about the disasters that are going to happen as a direct result of this particular bill. What I would ask is that before the bill receives third and final reading, there are public hearings and that the government would reconsider its decision, change its mind, and say, "Well, okay, we've hurt enough people in these small towns already by laying off 2,200 MNR employees, we've given notices to close to 200 Ministry of Northern Development and Mines employees"—I mentioned earlier the Ministry of Transportation employees who are getting laid off.

It is hurting the tax base of these small communities very seriously, and they don't know where they're going to turn. In the town of Cochrane, which is about 80 miles from Kapuskasing where I live, the 4,500 people who live there have been looking for a meeting with Premier Mike Harris and Chris Hodgson to discuss the issue. Why move 40 or 50 jobs 65 miles down the road to another community and devastate the tax base in the town of Cochrane?

I guess the nice weather has taken Mike and Chris out on the golf course, because they don't show up in the Legislature. In the town of Cochrane, the mayor and the town council can't get hold of them. They haven't answered their phones in the last two weeks. I've said almost every day in the Legislature: "Give this town the courtesy of five or 10 minutes of your time. Explain what you're doing; explain that you have to devastate some of these communities, whether it be deregulating the bus industry, whether it be the cutbacks that are happening in health care, education, government employees. Sit down and explain to the mayor, the town officials and the chamber of commerce, who are very angry." I don't blame them for being angry when people don't answer their phones.

The original notice, a fax letter, went out saying: "This is what we're going to do. We're going to pull \$2 million out of the town of Cochrane and devastate it." Now we know that a lot of communities like Smooth Rock Falls, Kapuskasing and Hearst are in danger of losing the regular bus service that comes in. When you lose your bus service, that affects the stores; it affects the businesses.

I go to get my car repaired at the garage, where they'll say: "We're going to order a part. That part will be in tomorrow. It'll be coming in on the bus." If buses don't stop in these small communities, what do the garages do? What do the farmers do in Mitchell, Moncton, Stratford, in all these communities in southern Ontario where I was born and raised? They're going to be devastated by having to spend the extra money, the extra cost that's going to be involved in getting parts.



Farmers depend on local bus service to get timely delivery of parts they need for their machinery in the spring or fall, for seeding, and for sawmills and industry throughout northern Ontario.

In addition, students, the disabled, seniors who don't have cars—some of them don't have drivers' licences—look forward to getting out on the bus, using that service. Now we have a Conservative government in Ontario that is saying, "We don't care about that particular service that's being delivered."

They don't care about people who are hurt or injured on the job and receiving workers' compensation payments. They're going to reduce them. Last year they attacked the women and children who are receiving welfare by cutting those.

The spinoff effect is on corner stores, which are the life of small communities. People don't have the money any more and cannot buy the services there. Losing the bus service that goes into those communities is going to be completely devastating.

I got a call at noon today that in addition to roads being closed in northern Ontario because of a severe snowstorm—we hope it's the last snowstorm of the season, but it probably won't be—schools being closed and the highways being closed, we have had a major derailment, where seven freight cars jumped the track, and it looks as if not only is the track closed but Highway 11 is closed. This happened very close to a school yard. I just wanted to relay to people across Ontario, as we're speaking on Bill 39, some of the events that are happening.

Down here the weather is different. I joke that while we're still shovelling snow in the north, down here they have another hardship because they've got to rush and get their lawnmowers ready to cut the grass. That's the extreme, about five or six weeks' difference in the season.

As I said on the last day I was speaking to this, I hope the Conservative caucus raise this at their caucus and do not act like a bunch of trained people who are going to clap their hands when they're told to and do exactly what Mike Harris tells them to do. It seems like that's the way. 1520

I can recall a number of years ago with Jonestown, Rev Jones was there and he said: "Either you drink the Freshie or you'll get shot. You have a choice." So most of them drank the poisoned Freshie and the rest who refused to drink the Freshie, they shot.

I don't know if this is the fear the Conservative caucus has of Mike Harris, but there's got to be some fear in their minds. Why else would they just agree to allow their small towns to be devastated as a result of government cutbacks and the damage being done as a result of this particular legislation which will lead to complete deregulation of the whole bus industry?

With that, I will wrap up my comments and wait for another day as more legislation comes forward.

**The Acting Speaker (Ms Marilyn Churley):** Questions or comments?

**Mr John O'Toole (Durham East):** It's a pleasure today to rise and comment on Bill 39, the intercity bus deregulation.

Comments were made a few days ago in the House by the member for St Catharines who went on to name a bunch of the communities in my riding: Blackstock, Orono, Nestleton, Brooklin, Port Perry and Newtonville. I'm surprised the member would attempt to alarm these people.

This bill recognizes that in the past 10 years many of the 400 communities have indeed lost bus service. The current legislation allows for operators to discontinue service with a minimum of 10 days' notice. Furthermore, I'm convinced that the minister has made every opportunity to work with communities and small entrepreneurs within those communities to be able to establish a not-so-regulated environment.

In conclusion, I would make the comment that in transportation issues, as I read through the changes being made, safety is almost the most important and central factor to the decisions being made.

I just want to straighten out and comment to the member for Cochrane North. I recognize that small communities will have to—some of the entrepreneurs will now have an opportunity to provide a service that's appropriate for their municipality. I believe the communities I represent will be better served by the entrepreneurial spirit that exists in each of our communities.

**Mr Sean G. Conway (Renfrew North):** I want to make a comment in respect to this policy.

It is true that there has been and will continue to be significant change in the transportation sector, including the motor coach industry, but what Bill 39 intends is that the traditional cross-subsidization of previous Ontario government policy—that cross-subsidization required that the major motor coach operators like Greyhound and Voyageur Colonial, if they were going to be licensed to operate on the significant and profitable routes along Highways 401 and 17 and 400, were going to be required to provide some level of service in the low-volume, unprofitable parts of rural Ontario.

A fundamental aspect of Bill 39, which I think is objectionable, is that the government for whatever intention seeks to remove the requirement that has historically been there, that if you are a major player like Greyhound and Voyageur, for the right to operate on the profitable routes, you were going to be required to do business on the lower-volume routes.

The big winners in this policy contained in Bill 39, a policy that will abandon that cross-subsidization, are the big corporate players like Greyhound and Voyageur, and the real losers are those small communities—at least in my part of east-central Ontario. I don't speak for Durham region but I can tell you, if we alleviate the requirement, remove the burden, or remove the requirement for Voyageur to cross-subsidize routes like the ones through the eastern part of the province, there will be no service.

Voyageur and Greyhound win, and they win big; small-town Ontario loses, because many of these routes are simply not viable without cross-subsidization.

**Mr Gilles Bisson (Cochrane South):** I want to comment on the speech made by the member for Cochrane North because he's 100% right on this. The issue is that you have a number of Tory backbenchers who go to their caucus meeting on Tuesday morning and



are told by Mike Harris and the Minister of Transportation that they have to blindly follow this blanket policy of complete bus deregulation and come into the House and do as they've been told by their masters. That's what's happening in this House. At a time when people are cynical about politicians, I believe that kind of action adds to that cynicism.

There are plenty of Tory members in this House, some 85 of them, a good majority of whom represent ridings that are going to be negatively affected by this decision by this government, and they are coming into this House and saying, "Mr Mike, Mr Al, I'll do your bidding and I will not speak out on behalf of my constituents." I warn you all, this will affect you.

The member for Cochrane North is 100% right. Smaller communities that don't have the volume are going to get negatively affected. That's going to be the result of this policy. Those communities with large markets will not be as greatly affected—no question.

We say to you from the NDP caucus, we're prepared to work with you at looking at how we can make changes to bus regulations so that we can free up the market maybe a little bit more in those areas that have larger population bases that can support the increased competition. But in those areas where you don't, I'm saying there is going to be a price to pay and that is going to be that the people in those areas, the people you represent, aren't going to have the bus services necessary.

I know the member from Etobicoke's going to get up and he's saying there are 400 communities that lost services under deregulation as is. The point is, and he knows full well, that the cross-subsidization issue deals far more with the issue of being able to deal with keeping bus services in place in communities that need them than you would have without the cross-subsidization in bus regulation.

**Mr Chris Stockwell (Etobicoke West):** Not to be preempted by the member from Cochrane, let me just explain the situation as I see it. Obviously, from the two-minute comments made by the members opposite and both members from Cochrane, they're not letting the facts get in the way of their decision.

The fact is this: Those people in the more than 400 communities who had their bus services discontinued think they were very important. You may not think that, by saying that by cross-subsidization they're important runs that we're going to keep on the road. Those over 400 communities that lost their bus service—hey, guess what?—they thought that was important and they've lost them.

Furthermore, when they talk about cross-subsidization, right now you can maintain your contract once a month. All you have to do is run a bus once a month during tourism season and you keep your contract. What kind of bus service is that? Once a month. If you're going to leave town, you just have to make sure you leave on the right day or you wait 30 more. That's the kind of service you're asking to maintain. The status quo isn't working.

I appreciate the fact that some on the other side of the House don't think these changes are perfect, but—

*Interjections.*

**Mr Stockwell:** On that side of the House, to the left. But the fact remains, I've heard nothing concrete. You're

prepared to work with us. Well, other than slamming the piece of legislation that's come forward, I've heard nothing that would convince me they're prepared to work, prepared to put their positions forward.

**Mr David Christopherson (Hamilton Centre):** Like you worked with us, Chris; that kind of partnership and cooperation.

**Mr Stockwell:** I think we did put our positions forward. It was called the Common Sense Revolution, to the member from Hamilton. If you weren't so arrogant and pious in government, you would have taken that seriously and maybe you wouldn't have been decimated quite as badly as you were.

I say to the members opposite, don't let the facts cloud your judgement, because that's what you keep saying. It's the same merry-go-round. Over 400 lost. You'd only have to maintain a service for providing a bus once a month and these people can opt in and out as they see fit. The argument I hear from Ontarians is, "The status quo doesn't work; we need to address the issue; here are our changes," and you keep telling us, "Maintain the status quo."

*Applause.*

**The Acting Speaker:** The member for Cochrane North has two minutes to respond.

**Mr Len Wood:** I don't know why the members are clapping for the member for Etobicoke West. When you devastate small communities in northern Ontario or farming communities in southern Ontario, it's nothing to clap and laugh and joke about. We're talking seriously about the disabled, the women, the children, the elderly people who are going to lose their bus service.

I want to thank the other members who made comments: the member for Cochrane South and the members for Renfrew North and Durham East.

The real heart of this bill is deregulation, and it's part of the government's agenda to reward its friends at the expense of the public. It's not the students who are benefiting from this bill, it's not the seniors who are benefiting from this bill, it's not the rural communities in northern Ontario or southern Ontario that are benefiting from this bill. The only ones who are benefiting from this bill are Mike Harris's friends and some of the rich bus industry in Ontario.

It's not too late for the Conservative caucus to change their line. I mean, Sheila Copps promised during the election campaign that she would get rid of the GST or she would resign. Mike Harris has said that if taxes go up, he will resign. It's not too late to change their minds, be honest with the people and help some of the communities.

**Mr Stockwell:** Hey Len, you said you'd eradicate food banks. You said you'd have government-run auto insurance.

**The Acting Speaker:** The member for Etobicoke West, come to order.

**Mr Len Wood:** The member for Etobicoke had his two minutes to respond, and he still feels it's okay for Mike Harris to damage and hurt the small communities by deregulating the bus industry and pulling the industry out of these communities. I'm sure the Tories are going to have to go back home and they're going to have to



explain why they supported a bill that is going to devastate their communities as far as where the buses stop and deliver the services.

1530

**The Acting Speaker:** Further debate?

**Mr Frank Sheehan (Lincoln):** It's a pleasure to rise and speak on the subject of intercity bus deregulation. I believe this initiative of the Minister of Transportation is long overdue. As chairman of the Red-Tape Review Commission, I am not going to get into some of the specifics, because they have been adequately explained and exposed by our members on both sides of the House. But I'd like to suggest some reasons why we should consider deregulation, principally because regulation has many manifestations. It's not just the law or the written regulation; it's hearings, licences, permits, guidelines, permission, reports. All of these things add cost, they discourage initiative and they stifle innovation.

We are deregulating because we believe the free market will provide needed services economically. We are deregulating because as Conservatives we believe that less government control encourages private sector efficiency and innovation.

The Canadian Manufacturers' Association made a presentation to our commission and they pointed out a study, that it costs Canadians over \$48 billion to comply with regulations. Ontario's portion of that is estimated to be \$20 billion. If you take 10% of that alone, \$2 billion, and divide it by the average industrial wage, you will find that it's costing Ontario approximately 55,000 lost jobs. So regulation kills jobs.

We feel the changes in Bill 39 satisfy our government's concern that regulation is costly. We feel that regulations are not always effective in achieving their stated goals, and we believe that regulations, as typified by the regulation of the bus industry, have often been counterproductive and achieved objectives that weren't contemplated; in fact, that are directly opposite.

You've heard it stated that over 400 communities have already lost their bus service, and I would like to point out to the members from the north that the north does not have a corner on lost transportation. Just a few names: Petrolia, Wyoming, Oil Springs, Watford, Strathroy, Dunnville, Wainfleet, Camden, Thedford, all communities within easy reach of my residence in St Catharines, have been without bus routes.

**Mr Marcel Beaubien (Lambton):** Killaloe.

**Mr Sheehan:** Right. What about Killaloe and Rainy River?

The town of Beamsville, for example, is on a main run, so-called, but it hasn't had bus service for the last two years. Grimsby doesn't have bus service, Lincoln, none of them, and they're right in the heart of this thing. If the regulated process was such, then certainly the run by Gray Coach or the new PMCL line coming from St Catharines-Toronto should be able to subsidize little drop-ins to Beamsville, Grimsby etc, but they do not. That's the regulations that have been in place.

We think Bill 39 will encourage business and entrepreneurs to spot some opportunities, to see that the removal of these regulations will provide them with an opportunity to make—I don't want to say this out loud—a profit

by providing a service to people who need this service. We have been sitting in a regulated market since 1920, and there's no doubt that regulation has reduced initiative and competition.

The changes in Bill 39 will encourage these entrepreneurs to recognize the opportunity and to capitalize on this open market. Who says we have to have a 39-seat bus? Why can't we have a van? Why does the bus service have to run all the time on a regular circuit? Why can't they do it like they do in the paramedic or Paratransit system, on a demand basis? Perhaps it will encourage some semi-retired or early retired people to earn some extra money and keep contributing to their communities.

There's a story about a young fellow in the University of Western Ontario who made a very nice little living operating a weekend shuttle service between London and Toronto. This is the kind of activity that we think will help. This is the kind of activity that we think will provide better busing service for these isolated communities.

You have to understand that this government is committed to safety and health and that all of these considerations are taken care of in other acts that are on the books. I urge you to vote for this bill. Bill 39 is a productive piece of legislation and it will help the people of Ontario.

**The Acting Speaker:** Questions or comments?

**Mr Bisson:** I'm going to take the opportunity to respond to a couple of points the member makes. First of all, he makes the comment about new operators coming into business and being allowed to make a profit. Somehow or other the Tories think people in the opposition, specifically from our party, are opposed to that. Quite the contrary. The economic system runs on the basis of somebody being able to make a profit, and that's the whole point here. If you can't make a profit, you don't operate a business. It's very simple economics.

The point we're trying to make is that when you talk to operators who are presently running a system of buses, various kinds of buses in rural communities and smaller communities, they're able to make a profit because the market is so small that they're given basically a monopoly—and there's nothing wrong with a monopoly in that case—to run a bus service up and down the highway picking up service in some of the larger areas, but in exchange, they cross-subsidize those better routes for routes that have less profit. This is the whole point.

If you move away from regulation in those communities that have those bus services in place because of regulation and because of the licences that were granted to private operators who have a monopoly in that area, they're not going to be able to run those bus services because there won't be a buck to be made. Why would any businessperson with any common sense run a bus service if he or she can't make a buck? That's the point here. In exchange, what the government did years ago was put in place bus regulation. They said, "We're going to allow the private sector operator to operate a bus service up in this area, and in exchange for getting a licence in those areas where he can make a few extra bucks because of the monopoly, he will cross-subsidize



those fares with those communities that can't get bus service because there's just not enough of a market to warrant it."

That's what the whole idea of bus regulation was all about. So if the member is saying this is all about profit, I'd say go back and take a look at it again, because you can move away from regulation in areas of large market, but if you move away from that in smaller communities, we're going to get stuck with no bus service at all.

**Mr Jerry J. Ouellette (Oshawa):** On this debate I have to support the member for Lincoln. As he's pointed out, regulation is costly. Not only would I support him because he's a fellow caucus member, but because what he speaks of is through his experience on the regulation review committee.

Regulation is costly. Currently, the situation is not working. Individuals have the ability to maintain a bus service, and to capture a market, they can provide service as little as once a month in order that during the summer-time or when peak periods come by, they can capitalize on charter services in those areas and provide other services, whereas what this legislation does is give the local communities the ability to determine their own service and have the potential to provide that; not only that, they can also give local employment, which is an economic stimulant to the local community, not only through employment but through the purchase of goods such as gas or whichever they may decide to support as well.

We can only emphasize that this is a potential for the smaller communities. We constantly hear and we constantly bring up the fact that over 400 communities in the province of Ontario have lost service, and that is with the system the way it stands right now. It's not working. This is April 1996; deregulation comes out in 1998. That gives us ample time to review the situation that is coming about and we can see what's going to take place then.

1540

**Mr Joseph Cordiano (Lawrence):** I would just say in response to the member's intervention in the House and his speech earlier that speaking to deregulation is the question of market forces and what impact they have. The fact that he mentioned that there might be some operators to take up some of these routes would be obviously a good thing, so that in other words, it would be incumbent upon the marketplace to determine where these services would be provided, and that would be done on the basis of demand. That would be done without regard for underserved areas, without regard for the kinds of considerations we've given to underserved areas in the past.

The member is hoping and the government is hoping that these areas would be serviced even if they're not profitable. We have great concern with that. As well, this initiative by the government, this bill, would speak to a half-baked deregulation—it's not the full deregulation that was talked about earlier—so we don't know what the real impact would be of finally deregulating the entire industry.

There are all kinds of reasons to be concerned about the way in which this approach is moving forward. We don't know what the impact of any of these measures

will be on these small communities; we don't know what the impact will be for those people who need these types of services—students, farmers, small business people reliant on bus service to deliver their parcels from one community to another. The list is endless in terms of the requirements of small communities. I think the government owes it to the rest of us to at least indicate clearly that it understands what the impact will be out there in those communities.

**Mr Stockwell:** I'd like to compliment the member for Lincoln on his speech to this place today. I think it's insightful and offers some answers to the questions that have been developed in opposition.

I want to just dispel one myth that seems to pop up rather regularly in the opposition benches. The thought is that when deregulation kicks in, profitable runs will no longer subsidize unprofitable runs and the operators can then pull out of the unprofitable runs. Let me be very clear about this: They can right now. They have the capacity to pull out of unprofitable runs. They have exercised that capacity 400 times in the last 15 years. They can continue to exercise that option in the future if we maintain the status quo. Let's make no bones about it. There's no middle ground; there's nothing that isn't understandable. Very simply, they've opted out of over 400 runs in the past 15 years. On 10 days' notice—

**Mr Bisson:** So you're going to proceed.

**Mr Stockwell:** Let me finish. On 10 days' notice, to the member for Cochrane South, they can opt out of any other run they like. So this idea that's being proffered by the opposition, that by partial or full deregulation you're going to cut loose the unprofitable runs and they won't be there any longer, is poppycock, bafflelegab, opposition blubber. It doesn't make any sense. They've had that option. They've exercised that option and the option has accrued, over 15 years, over 400 times. One last get it through your head: If we deregulate, it makes no difference; on 10 days' notice, they're out of there, as it is today.

**The Acting Speaker:** The member for Lincoln has two minutes.

**Mr Sheehan:** Thanks to Mr Stockwell. I'd like to point out to the member from Cochrane that we understand the concept of cross-subsidization. The communities I mentioned are not on any profitable runs, nor are they likely to move anywhere near close to any profitable runs, so there is no opportunity to cross-subsidize and provide them with service. The facts are, they're out of service and they're not likely to get it under the present process.

This is a process that will encourage other people to provide alternative ways of providing this service. It was the subject of the gentleman from—what's the name?

*Interjection.*

**Mr Sheehan:** Business will go where the opportunity is. This will just permit business to go where the opportunity is, and maybe the people of Ontario will get some service they've been doing without for the last 10 or 20 years.

**The Acting Speaker:** Further debate?

**Mr Cordiano:** Let me just continue with that train of thought with respect to what this government is proposing. I want to deal with that in just a moment.



To start a discussion on this bill, my intervention is really to start to understand why it is that we cannot fully support or embrace this bill as it has been proposed by the government. The reason for that and why we are putting forward opposition to this bill is because the government has come forward with a half-baked idea about deregulation and, furthermore, has not laid to rest any of the concerns that we have with respect to those underserved areas.

If the government came to this Legislative Assembly and the minister brought forward impact studies or reports, some analysis which was done and information and evidence available to us to determine that these communities would not be adversely affected by the impact of this bill in the way we've described—and I want to deal with that in just a moment, but I think it is clear that this government is flying on automatic pilot, without understanding what the full impact of this bill will be.

So I say to the members opposite and the minister, if he's listening from afar, why not deal with the measures that could be brought to bear on this? Why not do a full impact study, or impact studies, in those communities? Let's determine what the real impact would be upon those communities and then let's come back and determine furthermore that this is the appropriate way to move.

The members opposite cannot stand in this House and say: "Well, we know that this is a better measure because what we've had before really didn't work. It hasn't worked; we've lost routes in 400 communities." I say to the member who brought that forward that the reason some of these routes were eliminated—there was the Ontario Highway Transport Board which could have been appealed to by the operators to suggest that they were losing money on these routes and could therefore grant permission to stop service on these routes. There was a process in place and there had to be a hearing before this board.

After this measure is brought in and we get partial deregulation under this bill, operators will no longer be required to do that. The board is no longer directly accountable to the minister. The board will be made up of representatives from the industry. In fact, the industry will be self-regulating in this fashion.

As a result of that, the operators could eliminate these unprofitable routes much more easily than they could under the present board, before this bill was brought in, so it's not true that these routes were eliminated that easily. There was a process that had to be followed and the process was very clear, and only then could application be made for these routes to be eliminated on behalf of the operator. It was a much more difficult process to achieve the elimination of those unprofitable routes.

Imagine what will happen after this bill is enacted. There'll be no stopping, no limit to the number of unprofitable routes that will be eliminated. Instead of 400, we may have thousands of routes that will be eliminated. Consequently, it will be far worse. Contrary to what the previous member said in his speech, it will be a lot worse.

The bill will adversely affect those communities. People will feel the impact of this. Let's not fool anybody here; let's not have the government fool anybody here with respect to the service that will be eliminated in those small communities. The fact is that this bill has not been thought through properly. At the very best, the government should admit this. Pull back the bill, let's have those impact studies and let's determine what the real consequences will be for those communities so that people will be fully aware of what they face. Currently, that's not the case.

Furthermore, the government does not plan to have hearings on this bill in committee. I think that's also a disadvantage for people. The public will not have a say in those communities, and I think people would want to have a say.

1550

Protection for small bus operators who currently run those routes will be lost as well under this bill. Furthermore, there is no reciprocal agreement with Quebec and Manitoba, but the bus operators there will be free to come in and poach those routes, compete freely against our bus operators in Ontario, so we'll have those kinds of problems to deal with. The government has not dealt with this basic problem. I can't for the life of me understand why this government would move forward without protecting our bus operators from the poaching that may take place from those other jurisdictions. We will likely lose some of our profitability, and Ontario-based bus operators will lose some of their market share to those competitors. It is inevitable; it's quite clear that this will happen.

This is not full deregulation, and we don't know how far this government will go. They have pointed to the fact that this is an interim measure, that there will be additional measures down the road, and not knowing fully where things may end up in their final form, where the industry might reasonably know the direction the government is going in and the direction that deregulation will take it throws the industry into confusion. I think those are fair questions to ask, and all this should be dealt with through committee hearings so that we get a much clearer picture, so that those communities across Ontario will know what the full impact is.

I said earlier that bus service is not only relied upon by students who travel to and from school; there are seniors who in most cases have no other choice but to use bus services and other people travelling across the province to see family or visit the doctor in other cities across Ontario. There are some very good reasons why people need bus service across this province, and I don't think the government has made the case to the point that deregulation will make for a more efficient marketplace in all those small communities. Where there are large enough populations in communities where that is the case, you could probably show with an economic model that private operators would have the profitability levels to make those routes efficient, and therefore deregulation probably could be accepted in those areas. In locales and communities where you don't have those efficient numbers, where you don't have large enough numbers of people living, I don't see how you can make this work.



The member repeats, "The status quo is not acceptable; we're going to move to another model." That's like giving up the car that you know, that maybe needs repair, that needs to be brought up to speed in terms of maintenance, to buy some other car that is a lot older, and you have no knowledge of what shape it might be in once you get in it and drive it off the lot. We're giving up something without knowing what we're getting in return, without really knowing what we're buying into here. All we're asking is that this government make provision for determining what the real impact would be on those communities. Why not try out an impact study for some small centres? Why not do a pilot in some communities to determine whether this will work so we can better understand what will take place down the road?

It's not good enough that we stand in this chamber. Again, it's like this government saying to people, "We're going to make government more efficient, we're going to make government more effective, we're going to make government more accountable," and then it imposes user fees on everyone. On the one hand, they're reducing costs, they're trying to make things more efficient. Sure, the provincial treasury will benefit, but what happens to those municipalities across Ontario where property taxes will increase as a result of this government's cuts in transfers to municipalities, to our hospitals, the health care system, to education? What will happen? You'll get user fees on the other side; we'll pay for it in another way. That speaks to the unfairness of what this government is doing.

Yes, you're going to move to deregulate. What about the fairness in all of that? What about the fairness for people who won't have access to those services? To do so, they're going to have to spend a greater deal of their disposable income to make possible accessing those services. That's the kind of initiative we're talking about here. That's the kind of initiative that leads to unfairness, that leads to people saying, "This is not going to impact positively on our community."

The member stands up and says, "It's better to move in another direction, because the direction we were moving in has resulted in the elimination of 400 routes across this province." This will result in an even greater elimination of routes across the province.

It's really this government ignoring the interests of the little people, little towns and communities, Ontarians from across this province who can't afford the kind of services this government thinks people can afford. By eliminating public services like bus routes that have been cross-subsidized by the government, you're really throwing people to the wolves in terms of services, saying, "Fend for yourself."

User fees, all kinds of additional charges which do not lead—as this government has put it, it does not put more money in the pockets of the mythical one taxpayer; it does not do that. There are all kinds of hidden costs associated with this government, all kinds of hidden costs associated with the agenda it's brought forward, the kinds of costs that add up over time, the kinds of costs that are perhaps not apparent to people at the present time but will become more and more apparent.

All of those Conservative backbenchers will have to answer for those initiatives down the road, and we've

seen it before in this House. They will have to answer for why this government brought about these changes which resulted in lack of access to service, in user fees, in additional charges for the hardworking people of this province whose income cannot stretch any further. As they keep saying, there's one taxpayer, and the one mythical taxpayer is going to have fewer dollars in his or her pocket to purchase these services when they become so unaffordable. If you want them, you're going to have to pay a whole lot more for them, for so many things this government is doing.

This is a general theme, this is a pattern of this government. On the one hand, it is just cutting, making more efficient, and then, on the other, hardworking people who have very little disposable income are going to be even harder hit by the measures that are taken by this government. Time and again, we're seeing that unfold before this very assembly.

I think the people of this province will come to realize at some point in time that there is a hidden cost, that it's not all it appears to be, it's not about making things less expensive for that one mythical taxpayer. That one mythical taxpayer will be hit with all kinds of additional charges again and again. Municipal transfers have been cut. What does that mean? Police services have been cut in quite a number of municipalities across this province. What are municipalities forced to do? They're forced to either cut services or increase property taxes.

1600

I notice that the Minister of Municipal Affairs is in the assembly now, and I say to him, municipalities across this province are being constrained.

**Hon Al Leach (Minister of Municipal Affairs and Housing):** Constrained?

**Mr Cordiano:** Yes, that's right, being constrained, and they're put in an unenviable position.

**Mr Bruce Crozier (Essex South):** That's putting it mildly.

**Mr Cordiano:** That's putting it mildly is right. They're being put in a very difficult position. I will not use inflammatory language to explain this because I want the minister to understand they're being put in a very difficult position. They can either cut services, which is what the government is saying to them, or, far worse, raise property taxes to maintain those services.

**Hon Al Leach:** Or cut spending.

**Mr Cordiano:** Cutting spending is what everybody has been doing over the last number of years. Everybody has been doing that in municipalities. There are municipalities that have said to me: "We're being very efficient and yet we're being punished by this government because it's cutting transfers to us. Where's our reward for having been efficient?" Municipality after municipality, and yet you cut transfers to every single municipality across this province with no regard for the fact that some of them have been very efficient. You've not done that. That's unacceptable. Municipalities find that unacceptable; they find that unworkable.

Again, the one taxpayer, who's going to have to pay more in property taxes, isn't going to like it very much. I hope they're going to tell those Conservative backbenchers from across Ontario that they don't like it very



much, that property taxes are very regressive. No accounting for income; it's a very regressive form of taxation.

This government forces it on to municipal taxpayers. They're downsizing and they're making more efficient their part of governance, which is at the provincial level. The treasury of Ontario of course will benefit, because they've cut and eliminated a whole bunch of services, but they're forcing them on to municipalities.

The federal governments, various of them, both Conservative and Liberal, have cut transfers to the provincial governments, and now you're offloading off on to municipalities. Municipalities are going to have a harder time dealing with this. People said in the last election campaign that they didn't want cuts to policing, they didn't want cuts to health care, they didn't want cuts to education, classroom sizes to increase. They didn't want those cuts. This government also said it would not cut agriculture. What have they done? They've cut all of those areas, along with many other services.

We all know deficits have to be contained. We know that; we agree with that. But at the same time, don't tell us you're not going to increase costs for the average taxpayer in this province, because it just isn't so. Every single one of those taxpayers who pay property taxes—or renters, for that matter; they'll find property taxes increasing as well—is going to face the impact of those additional costs, the offloading this government is perpetrating on municipalities. They're going to face those additional hidden costs.

It's through the back door that this government is achieving what it said it would do. It's doing so contrary to the commitments it made in the last election campaign. It's violating the very commitments you made in the last campaign. You are contradicting yourselves. Of course we want to continually point that out, because I think people in this province want to know about that very clearly. They want to know why this government is not living up to its commitments, not living up to the things it said it would do in the last election campaign. It will lead to additional costs.

Finally, I want to say that the government should take this piece of legislation back, should think about it very carefully, should also conduct impact studies to ensure that communities across this province, small communities, are not adversely affected; to ensure that the seniors of this province are not going to be hurt by this; to ensure that students who rely on that bus service to get to and from school will not be hurt; to ensure that the small business people across this province, and farmers, who rely on bus services to deliver their parcels from one community to the other are not going to be adversely affected. I fear they will, and that is the concern we have. These communities and those people will be adversely affected and it will hurt them.

We say we are genuinely concerned. Take the bill back, rework it and then let's talk about it.

**The Acting Speaker:** Questions or comments?

**Mr Bisson:** I want to take this opportunity to comment on this. I listened intently to the member from Etobicoke make the comment—and the member here commented on it as well—that presently, under a regulated bus system,

you're able to take away services out of the community. That is true, but the only way you can do that is, if the operator wants to do that, the operator has to go before the Ontario transportation commission and make the case, as the member said. Only in those cases where the case can be made will the service be withdrawn.

The point is that what will happen under deregulation is simply this: If you have a bus operator who has been given a licence to operate a bus service and given a monopoly to do so in, let's say, an area where there are 20 communities, there may be four, five or six of those communities that are not profitable on their own. The bus operator makes money on the larger communities, because he has the monopoly in that area, and it helps by cross-subsidization to pay for services in the smaller communities.

If you get away from regulation, what will end up happening, quite simply, is that to compete with the new operator who might have come into the area, the bus operator who used to have the monopoly will say, "I have to pull services out of those communities," and he won't have to go to the transportation commission to do that; he will do that on his own. What you will end up with is a system where you have competition in those areas that are able to make a buck, because there is a larger population base, and the six or seven communities out of those 20 in that particular case will have absolutely no service at all.

I think we need to be clear: It's a philosophical belief. I understand that the Conservative government says, "We believe the private sector will do it and will do it on its own and communities won't be affected." I guess what I say is, after 1998 when full regulation comes off, only time will tell, but I say there are going to be communities that will be without services because of this bill.

**Mr Jack Carroll (Chatham-Kent):** I'd like to give the member for Lawrence an example of how the current system doesn't work. A constituent in southwestern Ontario recently called to get a price on having a bus chartered. She didn't like the price she was given so she suggested to the person she talked to that she was going to phone around and get a better price. She was laughed at and told, "We're the only ones who service this area, so good luck on getting another price." She got a price from an area outside that one that was considerably lower, and transported her Girl Guide troop from her area to another area so she could take advantage of the lower price. The current system does not work.

The member for Lawrence suggested that we should have some further studies. I would submit to him that this is 1996. The deregulation we're talking about is due to come into effect in 1998. How much longer would you suggest we're going to need for studies?

I would suggest to the member for Lawrence that we need deregulation. The current system does not serve the people well, as alluded to before. The 400 areas that don't have good service would say it's not working well. I submit to you that we need to change it. The status quo is not acceptable. We have allowed some time for discussion, and we think that from now until 1998 is long enough.

**Mr James J. Bradley (St Catharines):** I enjoyed the member's speech very much. He obviously showed that



he has an intricate knowledge of the issue and understands the ramifications for the smaller communities across this province.

I was glad he was able to work the tax break into it, and how the government will have to borrow \$20 billion of additional money, adding that to the provincial debt, in order to give the tax break. So it's not a free tax break; it's going to cost money. I was glad he worked that into his speech.

In addition to this, I was pleased to hear that he wanted to have an impact study before you proceed. If there's one criticism of this government that is predominating out there, it is that it's moving quickly and, as the member for Wellington said, recklessly. He said that about the tax cut, but I'm sure he meant that, or he may have meant that, about other things as well.

1610

What the government could do, if it wanted to really look at a piece of legislation carefully, assess its ramifications and then move forward in whatever way it chose to do so, would be to take the time to assess the impact. I would think that perhaps the Minister of Health wishes he had taken time today to assess the impact of getting this American firm to do the dialysis, an American firm that today is under investigation in three different states. If he had taken the time, he would not have proceeded with that company. I'm saying the same principle applies in this particular case. I just can't believe that the ministers and the minions have been able to—I don't think you can use the word "con," so I'll say "convince"—convince the government caucus, particularly those in rural communities, that this is somehow going to help them. Indeed, it is going to harm them, mark my words.

**Mr Len Wood:** I enjoyed the comments from the member for Lawrence. He laid things out very carefully and sincerely as to the disaster and destruction that is going to take place as a result of Bill 39, which will lead to complete deregulation of the bus industry, and communities will lose the service. This bill is going to do nothing for the students, the seniors, the rural communities, whether they be in southern Ontario or northern Ontario.

As the member for St Catharines in the two-minute wrapup was saying, in addition to Bill 39 they're bringing in to hurt the small communities, they're also going to go out and borrow \$20 billion to give a tax cut to the 10% of the upper-income people in this province. It's wrong to do that at the same time as you're taking away the services and destroying the livelihood of some of these small communities.

I don't think we can emphasize clearly enough that it's very important that the Conservative caucus backbenchers take this back to their caucus and talk to their cabinet ministers and talk to the Minister of Transportation and tell them very clearly that enough is enough. It's not only the two opposition parties that are upset with the deregulation bill as it stands; it's people who are speaking out loud and clear in every small community right across this province. They're saying: "I elected a Conservative the last time around. He's not going to get my vote next time around because the destruction, the destroying, is going to be too much." At the end of four years, there's going

to be just too much laying out there, and the Tories are going to be wiped out. They'll end up with five or 10 seats in 1999, that's quite obvious, because people remember and they will take their vote someplace else.

**The Acting Speaker:** Further debate?

**Mr R. Gary Stewart (Peterborough):** I'm pleased to have the opportunity to rise during the debate for Bill 39 to share a few of my thoughts and perspectives on the bus deregulation.

Having been in the tourist industry for over 25 years, I've spent a good portion of my time in business dealing with the bus industry in Ontario. I think I have a unique perspective on this issue, and I'm going to talk on this issue.

**The Acting Speaker:** The member for Peterborough, could you take your seat just for a moment? I apologize to the House, particularly to the member for Lawrence. I forgot to give him his couple of minutes to sum up. I will give you that opportunity now if I can have agreement from the House.

**Mr Cordiano:** Thank you, Madam Speaker. I certainly wanted the two minutes to tell my friends just how much I wanted to once again tell them they're wrong in moving forward with this bill. Certainly they should think again.

The OHTB, the Ontario Highway Transport Board, will be under Bill 39. No longer will the board directly relate to the Minister of Transportation. The Minister of Transportation will not be party to the hearings that take place on the board regarding decisions with respect to unprofitable routes, and I am sure application will be made to eliminate some of these routes under Bill 39. That's the stated intention of the bill.

Quite frankly, there will not be an appeal process there, as is currently the case under the regulatory regime that we have in place at the present time. That is very important, because the debate here centres around whether the marketplace, unrestricted, completely deregulated, will make up the difference in servicing these underserved areas that are now the case. Certainly the arguments by the members of the government have been made without regard for those underserved communities across the province.

I have to repeat that people will be seriously injured by this and seriously hurt by the fact that they will be paying more if they want those services, and in most cases will not have those services even if they want them because they're not going to be provided by anybody. That's what we're concerned about. Seniors, students, small business people, all will be affected by the deregulation we're talking about.

**The Acting Speaker:** The member for Peterborough, let's try again.

**Mr Stewart:** Thank you, Madam Speaker. I know they are waiting patiently for me to go through the first paragraph again, which I'm not going to do, but I want to make sure that the perspective I have today in speaking on Bill 39—and that is the fact that I'm going to speak on the bill. That is a bit of a change in this House. There will be no rhetoric; we're going to talk about bus deregulation in this province.

The bill does not provide for full deregulation. Full deregulation will not come, as we know, until January 1,



1998. That represents a significant time frame for companies, passengers and government to deal with transitional steps within the industry.

By moving to a deregulated intercity bus industry, this government is removing barriers to job creation, investment and economic growth by eliminating red tape and reducing the regulatory burden required to serve the travelling public of this province. This bill is consistent with our overall message of making it easier for new businesses to get involved in the marketplace.

When smaller, more efficient carriers tell the provincial government that they can service a particular route in a more cost-effective way, then why have previous governments refused that right? This is the real question that the members of the Liberal Party and the New Democratic Party must ask themselves: Why have you not allowed more carriers into the marketplace and why have you continued to favour regulated routes? This is the type of monopoly that previous governments created in our democratic society.

I would now like to take a few moments and deal with a couple of myths that are often expelled from the mouths of those individuals who do not support Bill 39.

Many opponents cite the notion that safety will be compromised at the expense of profit, a statement the opposition makes every time real change occurs in this province. Bill 39 addresses the concerns surrounding the monopoly of routes. The bill does not allow for fewer safety regulations, nor would our government allow safety to be compromised. Safety is and must continue to be our government's number one priority.

How will safety be ensured? The initial cost to get into business is no small investment. High startup costs will ensure that only carriers that are truly, seriously interested in competing for further routes will risk such an investment. Insurance requirements will continue to reflect current fiscal liability, international compatibility and will act as a deterrent to unsafe operators. There will also be a renegotiation of safety standards specific to the bus industry under the National Safety Code.

1620

With competition for routes occurring under Bill 39, a business person cannot afford to risk losing a particular route because of the condition of his vehicles if they are designated unsafe by the Ministry of Transportation. Let me be very clear about safety standards. Safety standards are not being deregulated; only the ability to compete for routes is being deregulated. The government of Ontario will continue to enforce, modify and improve all standards as they pertain to the bus industry. Anything less would be unacceptable to the passengers of this province.

We heard a number of times about communities in Ontario that are going to lose bus service. Opposition members have led some members of the public to believe that a regulated industry is the only way to protect services. Since 1980, as we have heard here today, over 400 communities have lost their bus service within a regulated market. This indicates that monopolies have created our underserved communities. Why has this happened? One reason is that the provincial government has issued a licence to a larger carrier, or smaller, to

service a rural route. Bus carriers traditionally have not made a profit on some individual routes. The reason for this is that you cannot operate efficiently a 47-passenger bus or smaller on a rural route with only a quarter of the bus full, which ultimately leads to the discontinuation of service.

Very often after service is discontinued, the licence is not released to another carrier but continues to be held by the original licensee, which prevents other operators from servicing that route. That is the problem of the hoarding of licences in this province. Unfortunately, they can't make a profit because a number of operators hold a licence, not servicing it, in a number of consecutive towns and villages and nobody else can go in. Under Bill 39, small carriers may choose to operate small passenger vans or other types of vehicles and will be able to service that route in a more cost-effective way, thereby preserving service to the communities. That, ladies and gentlemen, is a fact. The hoarding of licences has caused a problem in this province and that is why we are not getting good bus service.

Another common tactic used by those opposed to the concept of bus deregulation deals with notice provisions when withdrawing service from a community. Many will argue that under a deregulated system, operators will simply walk away from routes whenever they desire. That will not be the case.

Bill 39 addresses this concern with the new service replacement program to maintain and improve service for many smaller rural communities.

**Mr Peter Kormos (Welland-Thorold):** Who writes that stuff?

**Mr Stewart:** I write it on facts.

The proposed program would require scheduled carriers to provide a 30-day notice period prior to service reduction of more than 25% of the original service. The current notice provision is 10 days. The notice period for route abandonment also increases from 10 to 90 days. The increases in those periods will provide enough time for new operators to offer service on these abandoned routes.

In conclusion, Bill 39 will allow more people to compete within the industry and ultimately provide better service for the people of Ontario. As more investors, bus companies and entrepreneurs participate in a more competitive interest, I am confident that the spinoff effects will be enormous. More people will be required to drive the vehicles, more people will be required to maintain the vehicles, more van and small passenger vehicles will be purchased in Ontario, thereby stimulating all industries that traditionally benefit from vehicle production in this province.

**Mr Kormos:** Doesn't this sound like deregulation of the airlines to you?

**The Acting Speaker:** The member for Welland-Thorold, order please.

**Mr Stewart:** Bill 39 is consistent with everything our government has achieved and will continue to try to achieve.

*Interjection.*

**The Acting Speaker:** The member for Etobicoke West, order.



**Mr Stewart:** Bill 39 will provide for more efficient service for passengers, it will provide for less government through a streamlined regulatory body with less bureaucracy and reduce red tape for business. In the end, when more businesses are providing services to the communities of our province, we will see a fundamental principle of our government come to a reality. That is, we will see more people employed in what is a very important industry that helps to drive the economic engine of this province. Free enterprise is the lifeline that made Ontario a great province. Regulation, control and social biases have destroyed the economic fibre of this province. We must return to a more deregulated business climate and return the concept of consumer choice back to the people of Ontario.

**The Acting Speaker:** Questions or comments?

**Mr Crozier:** I am pleased to respond to the member for Peterborough because I'll also tell him something he does not understand. Right now, Greyhound Bus Lines, on a through bus, or at least on a long-haul bus, comes from Toronto through to Detroit. They go through Leamington, Kingsville, Essex. If this goes through, that bus no longer will come through Leamington, Kingsville and Essex, it'll scream right on down 401 and they'll forget about us, because it's part of their licence now and has been for years and years to service that route. They can't just simply drop it on 10 days' notice, but they'll be able to drop it on 30 days' notice and not even have to go to the Ontario Highway Transport Board the way they have to now.

When we can prove the need for service in those small communities—and I suggest this is going to happen all over the province of Ontario, where they no longer will have to go to anyone to prove that they shouldn't provide the service, they'll just simply drop it. You don't understand what's happening now in small-town Ontario.

This government with this bill, this flawed bill—because as the member for Chatham-Kent said, if charter service is a problem, then correct that, but don't throw the whole thing out. I think this government is looking at this kind of like a fly-by-night airline operation. The pilot comes on, says: "You know, I've got some good news and some bad news. The good news is we're making great time; the bad news is we're lost."

**Mr Bisson:** The last part of the member for Peterborough's speech I think said it all. What he was saying in this House, and I couldn't believe that he actually did so, is that free enterprise on its own will do it better and the big problem in this country and this province, he said, is "the social bias," and towards social programs that governments have done over the years. I think that is all telling. That is the point.

This government, this group of Conservative members who are quite different, I would say, than members of Conservative parties of the past, do not believe that the province of Ontario, or any government for that fact, has a responsibility to make sure that people have access to a basic level of service when it comes to buses, when it comes to hospitals, when it comes to whatever service, because I think it—

**Mr Joseph Spina (Brampton North):** A socialist viewpoint.

**Mr Bisson:** The member says it's a socialist viewpoint. If it is, I'm damned proud to be a socialist, because I believe we have a responsibility among ourselves as a people in this province to make sure there is a level of service that is comparable no matter where you live in this province. If you happen to be a person living in Kapuskasing, Timmins or Sudbury, you should be able to access services that are at least somewhat similar to services to people who are living in other places like Toronto.

1630

For the member to get up in this House and say the problem in this province has been the social bias is telling. If what you stand for is a system where it is only the private sector that decides what happens, we will lose lots and lots other than just bus services in this province. You will see health care go by the way, you will see social housing go by the way, you will see all levels of services that people need to sustain a living in this province go by the way. That is not the Ontario most Ontarians want and it's certainly not the one I want to see under a Conservative government.

**Mr Stockwell:** I'd like to compliment the member for Peterborough on his comments. Some of the outrage from the members offering their two-minute issue—

**Mr Crozier:** Outrage? Get real, you don't recognize it.

**Mr Stockwell:** It sounded like outrage. Okay, maybe you didn't believe what you were saying. I don't know.

In my opinion, it is a little shortsighted to believe that runs from Toronto to Detroit won't have some profitability from certain sectors within the province to Detroit or to Toronto. There will be profitability. There will be profitability for private operators to open up services—maybe on a smaller scale, maybe not huge buses, but at least services to communities that are affected when changes are made when you have direct through runs.

I believe firmly that when you regulate an industry, there's a huge subsidization factor, and the subsidization factor comes into the price of a ticket. If you don't think that by subsidizing a bus line, that affects people's ability to move around in this province, you're kidding yourself. When you subsidize a bus ticket, the price to get on that bus is more expensive. Therefore, fewer people can afford it. Therefore, fewer people have an ability to travel this province due to the subsidization.

I think personally that a private sector operator will move into a lot of these runs and provide services at reasonable prices, just as effectively and efficiently as they were when they were regulated. I understand the members opposite not agreeing with that. I understand the member from Cochrane and the Liberals on this issue. You don't fundamentally believe the private sector or free enterprise can provide services as efficiently, as effectively as the government. That's where we part company, because we fundamentally believe if you don't subsidize it, if you give them a fair chance, reasonable taxes and a buoyant economy, they'll produce for us, and they'll produce taxes and jobs. No wonder we don't agree.

**Mr Gerry Phillips (Scarborough-Agincourt):** I wanted to comment on the member for Peterborough's remarks. I think it's fair to say that in the first half of your remarks you were trying to reassure the people of



Peterborough that there were still regulations here. That's how I interpreted the first half of your remarks, that somehow or other people were misrepresenting the bill, that there were still regulations here.

I think it's fair to say it's 100% clear it is the government's intention to completely get out of the regulations. The minister, when he introduced this, said, "We are setting up an interim regulatory system during the 21 months leading up to full deregulation." To the residents of Peterborough: Let's make no mistake, this is all about full deregulation. It's not about keeping in place some regulatory regime. The member said there were 400 communities that lost their services. I guess, therefore, the conclusion is, let's just open it up wide and let the marketplace completely determine this.

You may very well believe that, you may very well want to defend that now, but I assure you, in a few years, as you head into the next election, there will be many communities in Ontario that won't have service that right now rely on service, that are watching this Legislature. This is not unlike public transit for many of us in urban areas. This is the equivalent. This is how some of them get to doctors' appointments, get to visit relatives. This is their public transit.

The member says let the marketplace completely dictate this. We understand that's your philosophy. But when the next election rolls around, the people who lose their service will hold you accountable. You are now going to completely deregulate the industry, let the marketplace determine it, and to the residents of Peterborough, I look forward to a debate in the next election when you find your services decline substantially.

**The Deputy Speaker (Mr Bert Johnson):** The member for Peterborough has two minutes.

**Mr Stewart:** I have listened to these comments. I believe the marketplace should dictate the type of service we have. Do you wish to have a monopoly on price as well as the operation? Do you not want the people of Ontario to get a break by having competition in the marketplace?

**Mr Crozier:** What about the GO trains? Privatize the GO trains.

**The Deputy Speaker:** The member for Essex South will come to order.

**Mr Stewart:** I've heard things, as I told you before. Who is holding accountable the government that lost bus service in 400 communities over the last 10 or 15 years? What are you people saying to that? You're not saying anything to it, unfortunately.

What I'm suggesting to you, and I've said this prior, is that operators are holding licences that are not allowing them to go anywhere else, and that is why communities are being underserved. Deregulation will solve that problem and I believe the marketplace will dictate the service.

One comment I did want to make: I had made the comment that regulation, control and social biases have destroyed the economic fabric of this province. I mean that. I still believe it and I want to make sure that everybody totally understood it, because a gentleman, the honourable member, said different. I believe deregulation

is what will totally help this province, turn it around, create jobs, create businesses, and that's what it's all about.

**The Deputy Speaker:** Further debate?

**Mr Jean-Marc Lalonde (Prescott and Russell):** I wanted to share some of the concerns my colleagues have on Bill 39.

In my riding alone, I have some concern. We have two major operators in our riding, which are Leduc Bus Services and 417 Bus Line. What I'm concerned with at the present time is, with the full deregulation that will be coming on probably in 18 months, what's going to happen with the operators in our riding? I'm looking at the Quebec people, the US people who will be coming down in our riding and also in the province of Ontario. At the present time there is an agreement, let's say, on construction workers. As we all know, it was impossible to get the Quebec government to agree with the agreement that was signed by our previous Peterson government.

But at the present time, those operators we have in our riding are two major ones and there are six others in our riding. I remember at one time Voyageur had the full monopoly in our riding. Voyageur was taking the workforce to Ottawa every 10 and 15 minutes in the morning. At one time, this large carrier decided to cease operation. All the people were left without transportation from my riding to Ottawa. Small drivers, small operators, started to buy buses. I'm referring again to 417 and Leduc bus lines, who have invested a lot of money in buying coaches to provide some of those services. What is going to happen if the full deregulation comes into force 18 months from now? Will there be a protection for those people who have invested this amount of money to buy coaches? I really don't feel, according to Bill 39, we will have this protection.

Also, I don't see anywhere in this Bill 39 that we will have access or there will be a process to appeal to Divisional Court. There will not be any appeal to the cabinet. Who will make a decision? Just the one single person who will decide if it is okay or not to have a large carrier come in in Ontario and disband all the small operators that we have in place at the present time.

Small business people are the key operation of Ontario business, the key operation of Canadian business. If we are to let the large carriers come into Ontario, take over all the small routes that were created by the small operators of our riding, after a while, if they see that they don't have one route profitable, they will cease operation and those people who have spent money, invested money in buying coaches in the past will not be there any more to provide the services to our people.

1640

My people are really concerned about it, and also, if I'm looking at my colleague from Nepean, I'm sure one of the major bus operators that we have in Ottawa, I wonder if Carleton Bus Lines are fully in agreement with this Bill 39. I don't think so. Because at the present time, again, some buses from the Quebec side come into Ontario picking up passengers to take them back to Quebec. Will we have the same access to the Quebec-side people? I don't think so, if I go by the former agreement that we had in place in the past.



I was saying that we have two major bus lines, but at the present time, senior people do enjoy the transportation of our local transportation people, do enjoy the small operators, because this is the medicine that I would say is facing all the health cuts that we are facing at the present time. I always said to the senior people: "You enjoy travelling. The fact that the people are able to travel across the country, across Ontario, it's better than being at the doctor every week like we used to be."

Now that we have those small operators that are able to give this type of service to the people of our riding, of our province, will they be able to continue with these services to be able to travel at a low cost? When the major operators move into our riding, move into Ontario, like Greyhound for example, do you think that the US people, when they come into Ontario to get their licence, will continue giving this type of service? No, I don't think so, because we'll be paying a high price for it, and this enjoyment that those senior people have at the present time, the small service club, the small hockey clubs that are having the services of those small operators, very often at no cost at all for the benefit of our young sports people, I think this service will not be able to continue if we don't come up with some changes in Bill 39.

I recommend at this time that the government should pay close attention to this bill by having public hearings across the province so the small operators will be able to voice themselves towards this new regulation or towards this new Bill 39.

I would like to thank you, Mr Speaker, for bringing this to your attention and let's hope that the government will pay attention to these small operators across the province to make sure that those small operators will be in business 18 months from now.

**The Deputy Speaker:** Questions or comments?

**Mr Cordiano:** I just wanted to commend my colleague for a very fine speech and very informative. I think he makes a number of very well-thought-out points with respect to small operators and how they will be affected.

He points out for government members, for their advantage, that small communities will be affected badly by the measures contained in this bill, that young people—he points this out—in fact young athletes, depend on bus service in many of these communities, and that's certainly something that needs to be pointed out to the government. Hockey teams and all kinds of other athletes across this province depend on bus service, and it's very important. I think, if for no other reason, this government needs to look carefully at what the impact will be on those young people who depend on bus service to get around the province to go to tournaments, to go to athletic competitions across the province.

Many of these communities are serviced by small operators, and those small operators who've invested a great deal of capital in new coaches etc, they're going to be affected. Their businesses will be adversely affected by this, and the member rightly points that out.

I say again that the government needs to be cautious about moving in this direction. We suggest to the government that they pull back the bill and that they look at this very carefully, that they look at what we are saying very

carefully and take what we are saying very seriously, because the concerns we point out will come back to haunt many of the members on the back benches of this government. Those communities you represent will be asking, where were you when we lost our service? Where were you when you should have stood up for your community's interest?

**Mr Ouellette:** The member just mentioned, "Where were you?" Well, where were they when the 400 communities lost their service? Currently the system is obviously not working and we are trying to change it. That's one of the points that we are trying to bring out very effectively.

Also, the member for Prescott and Russell mentioned the bus companies coming across from Quebec. Once they cross the provincial boundary, it falls under federal legislation. The federal government legislates the busing regulations between provinces. He should know that and bring that forward as well.

Another area that needs to be mentioned is that the charter services that are given to provide hockey teams with that are at the expense of the regular service as long as a busing company provides essential, regular service, which could be once a month. Once a month; is that essential? Is that providing a proper service? I don't believe so, and neither do we in the ministry. We're trying to change that.

It was also mentioned that there need to be studies. This is April 1996; we're talking about deregulation in 1998. What do they think is going to happen in that time? We're going to close our eyes and pretend we're not looking at what's happening? Obviously there is a time frame there for a reason, and that's exactly what we intend to do.

**Mr Bradley:** I think one of the reasons the member also is apprehensive about the particular piece of legislation before the House is the price of gas in the province. With the price of gas being so high, that means a lot more people are going to need bus transportation and bus service, because the Ontario government has allowed the price of gas to go to 60 cents a litre in southern Ontario. The northerners would say they're used to that and they don't like it and it's even higher.

Here we are in a situation where people in these smaller communities in particular require this service so they're able to avoid what is going on with these huge gas companies. It's not the operator's fault in this case, the person at the pump. It's not that person's fault; it's the large gas companies that fix these prices, and the people who sell it at the retail level are stuck paying this.

How does that relate to this bill? Well, in a couple of ways. First of all, it's going to make the price of gasoline for the buses much greater and that may discourage some people who service those small communities unless they're required to do so by the direction of the Ontario Highway Transport Board.

The second reason is that it's driving people out of their personal vehicles because they simply cannot afford to drive in this province as long as the Minister of Consumer and Commercial Relations, the Minister of Environment and Energy, the Minister of Industry, Trade and Technology and the Treasurer won't do anything



about the gasoline prices in this province. We know how very powerful these people are, and that's why I think it's very important that we not pass this bill.

**Ms Shelley Martel (Sudbury East):** I want to congratulate the member for Prescott and Russell on his presentation and for being in the House today to defend his constituents and the services that he believes they are fully entitled to, as well they are. I think it's worth pointing out again or reinforcing a number of the issues that the member spoke to.

First of all, we need to go back and look at the experience in the United States, because we have a neighbouring jurisdiction that moved to full bus deregulation. The fact of the matter is that after the first four years of bus deregulation, some 4,000 additional communities lost bus service. Some 375 of those communities were small or remote, but there were other medium-sized communities where you would think a profit could be made where in fact service was lost. So anyone in this House who is trying to tell the people of Ontario that there won't be more and fuller bus service lost is just kidding themselves, because that was certainly the experience in the United States.

1650

I listened to the comments the minister made and I did not hear him say that the next two years is a period in which we will have a study where we will look at what is happening, and if more and more communities lose their service, there will be some kind of change. He didn't say that. This bill is the first step down the road to bus deregulation. Let's face it; let's call it as it is. He did not stand in the House and say that if things were going wrong we'd make a change; he made it very clear it was his expectation that more communities would have more service under bus deregulation. He said that on more than one occasion in this House, even though the experience in other jurisdictions has been absolutely contrary to that.

It behooves the minister to take a good look at what has happened in the United States and at what is happening in Quebec and Manitoba. Those two jurisdictions are telling the federal government they want to maintain bus regulation because that's how they're going to safeguard service in their communities. He would be well advised then to take this legislation and just put it away, because it's not going to help communities anywhere to get more bus service.

**The Deputy Speaker:** The member for Prescott and Russell, you have two minutes.

**Mr Lalonde:** I was surprised by one comment that was brought to my attention by the member for Oshawa, that the federal government would legislate or regulate transportation in Ontario with Quebec operators. This is news to me. If it is a law, it has to have been a recent agreement, because I don't think it does exist. I thank the member for Lawrence for his comments.

Just one more point: Only small bus operators could afford what we have seen in Cornwall or what we will see in Cornwall this weekend. The majority of the athletes in the Special Olympics are transported by small bus operators at no cost to the city of Cornwall.

**The Deputy Speaker:** Further debate?

**Mr Phillips:** I appreciate the opportunity to join the debate on Bill 39. The first thing is to be very clear on

the bill. I think the minister was quite forthcoming on it; I'm not sure the debate is centred on what he said, though. He made it very clear that the intent of the bill is to completely deregulate the intercity bus industry in Ontario. There will be I guess a 21-month period with some regulatory regime, but at the end of that period it's over, it's done and the bus industry is completely deregulated—as long as we're all dealing with that fact.

This bill was designed in downtown Toronto without taking into account the needs of the rural community of Ontario. I always think that when a new government is elected, that's the time the back bench should keep a good eye on bills going through the House. There are things that perhaps the bureaucrats would like to get done, there are things that in this case the industry might like to get done, but they're things that will also come back to haunt you in a very significant way. By my calculations, deregulation kicks in in 21 months, and then you'll begin to see the full impact of it just leading up to the election.

I guarantee you that there will be cuts in service to rural Ontario that none of us are going to want to defend and none of us are going to like, but all of you will say, "I'm sorry, my hands are tied, because industry makes those decisions." Believe me, for anyone who represents a constituency with a rural community, you're not going to like this bill.

The reason I raise it is that whether it's deliberate or not, rural Ontario is systematically seeing these cutbacks in services. Without doubt there are going to be hundreds of communities where people relied on some form of service for actually some basic necessities probably—doctors' visits, visits to family, shopping, things like that.

I hope you'll forgive me, Mr Speaker, but I was struck, in the announcement by the cabinet on April 11, by what I regard as a systematic cutback in services for rural Ontario. This is just one of them, and I raise these because many members who are in the House today represent those areas.

The Solicitor General: I don't think there's been much debate in the House here, but half of the OPP police stations in this province are going to close. I think you can guess where they'll be. I get my trusty map out and you can see, if half of the OPP stations in Ontario are going to close—and that's what the budget says. They're going to reduce by about one half, to 80 to 85 locations from roughly 170 locations right now of OPP—they're going to be cut in half. So think of your own constituency, think of the OPP stations there; imagine half of them closed, gone.

**Interjection:** So much for law and order.

**Mr Phillips:** As my colleague says, so much for law and order. Believe me, if there is one thing that gives people a comfort around safe and secure communities, it is that there is an OPP detachment not far away, in case of whatever emergency situation comes up, the thought that their OPP station is not far away. But, in the interest of efficiency and the interest of, dare I say, funding the tax cut, the government says it's going to close half of the OPP stations, and that was just two weeks ago.

In this same statement, the Ministry of Natural Resources indicated it was going to cut 2,170 jobs.



Where are those jobs? They're not in downtown Toronto. Believe me, they're not in downtown Toronto where the bureaucrats may live. They are heavily in the north, heavily in our rural communities. This was a second part of the statement by the minister in I think an attack on rural Ontario—2,170 positions. I might add that, according to the staffing report—this is December 1995—the entire Ministry of Natural Resources had 4,800 jobs and is going to cut 2,170.

**Mr Michael Gravelle (Port Arthur):** One fifth of all of the cuts.

**Mr Phillips:** As my colleague says, one fifth of all of the cuts to the public service were in natural resources. I think we all know that those are heavily in our rural community, related to the conservation of our natural resources, operations of many of our parks, which we all know will now be permanently closed. That was the second one.

The third one: I don't think there's any question that we are going to see smaller hospitals in this province close. Even though the solemn promise in the Common Sense Revolution was that they wouldn't touch a penny of health care, all members in the House know the Minister of Health said, "We are cutting 18% of the budget of our hospitals." That's done; 18% of the budget of our hospitals cut. I assure you, as I look around Ontario, my fear is that for our smaller communities, the "efficient" way of doing things will be to see our small hospitals in rural Ontario close, consolidate with a larger hospital. If I'm not mistaken, one of the major hospitals in Peterborough is looking to consolidate one of the smaller hospitals in the neighbouring community. So there's the third area of attack on rural Ontario.

1700

The fourth area would be the Ministry of Agriculture. What's happened to the Ministry of Agriculture, which of course—actually, it's called the Ministry of Agriculture, Food and Rural Affairs. I'm talking here about what I regard as a systematic attack on rural Ontario, with this bill, Bill 39, being simply one of them: a Toronto-driven solution to an industry problem, I gather.

But the Ministry of Agriculture, Food and Rural Affairs says, among other things—and remember, this was the ministry where there was a promise there would be no cuts made. That was a very popular one for the Conservatives. In fact, much to my dismay, I look at the electoral map of Ontario, and for those who never see these things, Liberal is red, NDP is green, and the Conservatives are blue, and rural Ontario is painted completely blue, much to our dismay, of course. I'd love to see some red out there.

**Mr Crozier:** You will next time.

**Mr Phillips:** My colleagues say, "You will." I think rural Ontario is being taken for granted. I've mentioned Bill 39. I've mentioned the OPP closing half of their detachments. Again I remind all of us: Think about the OPP detachments in your constituency. Half of them are going to close. I've mentioned here the Ministry of Natural Resources. The Ministry of Agriculture: Here they mention they are going to cut positions by 954. I remind you that the total staff in the Ministry of Agriculture, Food and Rural Affairs is about 2,000. They point

out here, "The ministry's field office network will be consolidated at strategic locations." That's a code word for, "Small ones will close and be consolidated into large ones." You know who's going to suffer in that case, Mr Speaker, and I suspect your community in the Stratford area could be one of those hit.

Why do I go through all of this? I would say also that in education, I don't know whether any of you have yet been hit with school boards saying, "Listen, I don't know how in the world we're going to deal with our cutbacks." I would add that school boards have been cut by about \$233 million so far. The government ran on a platform of cutting \$1 billion, so you are not quite a quarter of the way through your cuts to school boards and already we're seeing the impact of it. One of the impacts for rural Ontario obviously is going to be school busing. School boards are actually looking at charging now for transportation for students.

The member from Ottawa has—

**Mr John R. Baird (Nepean):** Nepean, not Ottawa.

**Mr Phillips:** Nepean. My apologies. One of the Conservative members from Nepean is shocked that a school board would charge for busing. I just say to people that if you're in a rural community, you have no alternative. You have to have the school bus. What's happening is that school boards just don't know where to turn. They've been told, under threat actually—the Premier was in Ottawa, as coincidence would have it, and said, "Well, if school boards cannot handle their cuts outside of the classroom, maybe we'll just get rid of that school board." So you can appreciate why school boards are turning over every rock to find some saving or some money outside of the classroom. Where is it going to hit? It will hit in busing. There's no question of that. As I say, the school boards are now beginning to look at charging for students to travel on the bus.

Here we have it for rural Ontario: Small hospitals closing, OPP detachments—and I suspect the OPP will be no different than any other organization; they will close the small ones and consolidate them into the large ones. Where are the small ones? By definition, in the rural areas of Ontario. It looks like the Ministry of Natural Resources has been the hardest-hit ministry, it and agriculture. I don't why that is, but it looks like they've been the two that have been really hammered in the cutbacks, both tending to be ministries that deal with our major rural issues: agriculture, food and rural affairs.

This bill is but one in a pattern, Bill 39, An Act to amend the Ontario Highway Transport Board Act and the Public Vehicles Act, which will—

**Mr Baird:** Have you read it?

**Mr Phillips:** I actually did read it, and I have even read the minister's comments on it. That's why I have no doubt of the intent. He made it crystal clear, absolutely clear: "The time has come to let the industry decide how best to meet the diverse needs of the community it serves." I know you believe that. That reflects your belief, and we just have a difference of opinion.

The member for Nepean said have I read it? I've read the bill and the minister's comments, "At one time it made sense to regulate the intercity bus industry, but the time has come to let the industry decide how best to meet



the diverse needs of the community it serves." On something that, as I say, for many in our rural communities, this isn't a frill, this isn't some service they can take or leave, this is an essential service and I simply don't believe the time has now come to let the industry make these decisions.

We have the former general manager of the TTC here as one of our members, and he knows probably better than most that there are lots—

**Hon Mr Leach:** And the former chairman right there.

**Mr Phillips:** And the former chairman of the TTC. They both know that there are communities in Metropolitan Toronto that get TTC service that don't pay their way, that are subsidized by other parts of the community. They know that the TTC at certain hours doesn't pay its way, but as part of a service, an essential service, some people subsidize other people on the TTC so you're going to have a comprehensive transportation system.

In this case, we have for many communities what is essential for them, but there's no question that when the curtain comes down in 21 months there'll be hundreds of communities in this province that have bus service now that won't have bus service. And why? Well, because, as the minister said, "The time has come to let the industry decide how best to meet these diverse needs of the community."

It's a big risk. I gather you've decided to take this risk, or at least the minister has sold the caucus on taking this big risk. In 21 months from now you'll start to see the impact, and this will be the environment you will face when you go back to the communities that sent many Conservative members—we understand that: OPP detachments closing; small hospitals closing, the Ministry of Natural Resources closing outlets, closing parks, closing their offices; the Ministry of Agriculture, Food and Rural Affairs closing its small offices; school boards charging for bus service—I think an attack on the rural quality of life.

You ask, why do we spend the time debating this bill? It's because we think we know where it ultimately leads. Frankly, I think in terms of simply the politics of it, if I were on the back bench or I had the ear of the Minister of Transportation, I'd say, "Do we really want to put ourselves in this position wherein dozens of communities in my constituency—people will say to me, 'Where were you when this bill went through that stopped my bus service, that I can no longer visit my children or my grandchildren, or I cannot get to the school or visit my doctor?'"

I hope we've put this into some kind of context, Mr Speaker. I know you're enthused about the debate here.

1710

**Mr Mike Colle (Oakwood):** He's worried about the Listowel bus.

**Mr Phillips:** My colleague says he's worried about the Stratford bus.

I will say, because you're in the chair, Mr Speaker, I used to drive a mail truck from London to Thorndale to Belton to St Marys, St Paul and into Stratford every day. I have some appreciation as a result of that of the needs of communities like Thorndale and Belton and St Paul, the need to ensure that they have the same services that

those in urban areas just absolutely take for granted. We in an urban area take for granted that if we want to go somewhere, to visit family or friends, to go to work, to visit a doctor, we have some public transit. This is the public transit that we are giving up.

That's the reason for raising it. Unfortunately, I have a feeling the bill will pass. In opposition, you get a little bit used to that, but that shouldn't stop us from raising the concerns we have.

I always hate to be in a position where I say "I told you so" in two years, but I just assure the members we will say we told you so when you run into the problems created by this bill and the lack of service that will result in the end.

**The Deputy Speaker:** Questions or comments?

**Mr O'Toole:** It's a pleasure to rise again today to respond to the member for Scarborough-Agincourt's comments with regard to Bill 39, bus deregulation.

Just to repeat, Durham East is made up of many small communities—Orono, Newcastle, Nestleton, Brooklin—and a number of those communities were mentioned when the member for St Catharines repeated the litany of small towns that are at high risk. In the current situation within busing in Ontario it's my understanding that with 10 days' notice, Voyageur or one of the larger carriers can drop them from their routes. It has to be recognized that those 400 communities that are currently underserved are not being serviced. It's wrong to state that they are.

The member for St Catharines mentioned a couple of points on busing. He brought up the issue of a gas tax, and I just want to repeat the Liberal concern on gas. They've been instrumental in raising the price of gas. Perhaps the member Colle might recall that he passed a resolution as a Metro councillor in which he suggested \$53 per month for a green fee to support mass transit. That would have raised \$753 million.

There are other records of Liberal attempts to raise taxes: starting in 1988, raising the tax 1 cent a litre, and 3 cents on unleaded gas, with a net revenue of \$167 million; in 1989, raising the tax 2 cents a litre for \$297 million in additional tax. It all ended up in their last financial statement, in 1991, with a 3-cent-a-litre increase, a \$410-million tax grab.

When it comes to further comments with regard to the impact on hospitals or health care in all the small communities, the NDP closed more beds in hospitals than any government in the history of Ontario.

Let's set the record straight: We've locked up the health care budget, and we're going to fix busing as well.

**Mr Cordiano:** I just want to commend my colleague the member for Scarborough-Agincourt on a very good speech in which he described the assault this government is making on rural and small-town Ontario. That's the only way you can describe it; it is an assault. It is an assault on a way of life. It is completely insensitive on the part of this government with respect to the needs of small-town and rural Ontario.

The distances people have to travel are completely forgone in any consideration this government might make with respect to the changes that are being discussed in Bill 39. Ultimately, they will pay the price in answering



to their constituents. The backbenchers of the Conservative Party will have to answer to those constituents at some point in time.

**Mr Bradley:** Did I hear they're defending the oil companies?

**Mr Cordiano:** They continue to defend all the big operators out there, the big oil companies, the big bus operators who will benefit from this change in Bill 39. They will not defend the interests of small-town Ontario and rural Ontario with respect to bus service.

We're trying to point this out to the members opposite on the government benches. We're trying to say to them, be more sensitive to the fact that when you cut services, and not only bus services—when you're cutting hospitals, the lifeline of communities in rural Ontario, when you're cutting all of these essential services that are so vital to those communities—you haven't got a real appreciation of what that does to communities outside of Toronto. You have to be concerned about what will happen with respect to students, seniors, young people, people who won't be able to afford any alternative.

**Mr Baird:** I congratulate my colleague from Scarborough-Agincourt on another great speech. My colleague from Scarborough-Agincourt has only made one bad decision in his political career, and that was back in 1987 when he decided to join the Liberal Party. Other than that, I have nothing bad to say about the member. He's a very honourable fellow.

Regrettably, the Liberal Party's view of the economy is coming through again, and I know it must be troubling for the member for Scarborough-Agincourt to be stuck in that small cabal in the Liberal Party. The Liberal Party's view of the economy could be summed up in a few short phrases: If it moves, tax it; if it keeps moving, regulate it; if it stops moving, subsidize it. I know my friend from Scarborough-Agincourt would have trouble with that, but it's confining in the Liberal Party.

I did enjoy his remarks on Bill 39. I particularly enjoyed the 20-minute lead-up to the remarks when he actually started to discuss the bill. We heard about school boards, this government supporting the idea of amalgamating school boards after Mr Sweeney's report, Mr Sweeney being a former colleague of the member opposite. He mentioned hospitals. I didn't hear when he talked about hospitals, though, mention of the 6,600 hospital beds closed by our friends. I didn't hear him mention that. I heard him talk about the OPP, MNR, agriculture. It took him a while to get to this bill.

When he talked about the issue of the gas tax, I didn't hear him talk about the Liberal increase in the gas tax in last year's budget. I know that in the two minutes he has to respond, he'll want to talk about the Liberal gas tax and where that money is going. I know he'll want to enlighten the House that the Liberal Party would perhaps come out against their federal cousins.

I would encourage the honourable member to allow a free vote on our budget next week. Allow the Liberal members to vote for our budget if they really want to.

**Mr Bradley:** I appreciate the opportunity to commend my colleague the member for Scarborough-Agincourt on a very thoughtful address to the Assembly this afternoon. What I was offended by was the fact that he was attacked

by members from east of Toronto who were up defending the oil companies with these gas price increases by trying to blame governments.

I would not rise in this Legislature to blame Darcy McKeough or Frank Miller or Larry Grossman or any of the Tory ministers who raised the gas taxes. I understood that they needed these for programs to keep the hospitals going, to maintain the roads in the province, and to provide the kinds of services that we as Canadians feel are important. So I did not criticize them.

I understand that the price of gas has gone up because, of course, the oil companies have decided to put it up. This has nothing to do with taxes, the recent one. I can't blame you; I can't blame your predecessors. I'm blaming the oil companies. And what happens? Instead of worrying about something else, up get government backbenchers who people might say are in the pocket of the oil companies. I wouldn't say that but, you know, they could come to that conclusion, that no matter what business does, it is okay. So if you want to ram it to motorists in this province by putting the gas prices up over 60 cents a litre, apparently to some members of the Progressive Conservative caucus that's fine.

Now, my friend from Nepean gets up. I always want to know what the Premier's office has told people to say, what are the talking points for the Tories that day. All I have to do is listen to my friend the member for Nepean, and he will read the latest. Last week it was that the status quo was no good. This week he has the line on some of the former governments.

Very good speech, Gerry, I must say.

1720

**The Deputy Speaker:** The member for Scarborough-Agincourt has two minutes.

**Mr Phillips:** I appreciate that.

Because the member for Nepean raised the issue of finances, here's my point of view: The Premier and the Minister of Finance were both around in previous times; very few of the rest were here. But I went back and looked at their record. They were there for four years in the Conservative government. What happened? The single biggest increase in personal income tax was when they were in government, Premier Harris and Mr Eves; the single biggest increase in the history of the province when they were there.

Each budget, for four straight budgets, took taxes up 24 times. That was Premier Harris and the Minister of Finance. They took the debt up. They were running deficits of \$2.7 billion for four straight years when they were around before. That's what we worry about. They were running the deficit up by 11% every single year. They took the spending up by 12% every single year. We didn't go through a worse period of fiscal mismanagement than those four budgets when Premier Harris and—

*Interjection.*

**Mr Phillips:** Well, up until that point in time. The Provincial Auditor went through and looked and said: "What's happened here? The last time a Conservative government balanced the budget—1969."

**Mr Bradley:** Some of the members were not even alive then.

**Mr Phillips:** Some were not alive. The point I make for those of you newly elected is, keep an eye on the



Premier and keep an eye on the Minister of Finance. It is a myth that they can manage the finances.

**The Deputy Speaker:** Further debate?

**Mr David Ramsay (Timiskaming):** I'm very pleased to come to the House this afternoon; I wish I had been here during the previous speeches. I've been in the justice committee and we've been looking at what the Tory government's been doing to halfway houses and putting everybody on electronic monitoring. We're a little upset about that, so we've been working there.

But an issue such as bus deregulation is extremely important to people in northern Ontario and the people of rural Ontario. It's a group of people this government should be making sure it looks after. It's a big, big concern. I'll tell you what's going to start to happen, because this is the second area we've seen of transportation deregulation in Ontario. The first was when the Conservative government pulled out norOntair airline, the government-run airline in northern Ontario.

Right now, we're in this period of time where some of the private sector airlines have come in. But I want to tell you what they've done in my area. We've had an airline come in, but it's a schedule that's designed to fail. I feel badly about that because I'd like it to succeed. As I go on a little further, I'm not prejudiced one way or the other on public sector versus private sector supplying services. That's what I'm going to be talking to you about and hope that you would show some flexibility in this.

What happened when norOntair pulled out of northern Ontario? Various different private sector airlines have come in, and in some of the great routes, in the profitable routes, they're providing a very good schedule and I think they're going to be successful. But in some of the other routes, such as in the riding of Timiskaming, where I live, connecting Kirkland Lake with Earlton, with the feeder airline routes that come into Toronto using Air Ontario, coming into Sudbury, we don't have a very good schedule.

I'm afraid that's exactly what's going to happen with bus deregulation. Not only are we going to get a lack of service, but we're going to get very poor service in some of those areas. We might see a bus once or twice a week. That's a concern I have.

I'd like to bring this down to the basic principles I believe in when it comes to this sort of thing. All of my colleagues in the Liberal Party believe that if the private sector can do a job, then it should be allowed and encouraged to do so. But in this country, we can't always depend on the private sector to do the work. So we have a couple of other levels of things. In some cases, we have public sector involvement in providing services, and so we do that where there isn't the private sector partner able to do that.

Another level of service provision that government is here to ensure that happens is regulation, and so we put in regulation to make sure the private sector will service a certain area, and we do that because, in the case of busing, there are some very rich routes out there across this province connecting our main urban centres that are very viable and very desirable for bus companies to be involved in, very profitable, and that's great. But we say to those companies that if you're providing and making a very good profit, which we encourage you to do by

providing a service on those main transportation corridors in Ontario, we ask you in tradeoff to provide those smaller communities that many of us live in, on all sides of this House, with bus service for those people also. That's all we're asking for on this side of the House today. We're saying, make sure that the small communities are provided with the bus service.

I want to talk a little bit about who some of those people are and maybe why you're not defending them also today. When I came in here, I brought in a roadmap of our great province of Ontario, and I see one of my colleagues already had one out, and you start to look at the number of towns and communities in Ontario, over 800 of them, spread over thousands and thousands of kilometres of distance in this province.

I live in northern Ontario and am very aware of the great distances. I grew up in the south, and I'll tell you, 25 years ago when I moved up to my farm outside of New Liskeard, I was really astounded by the distances of northern Ontario, and being the MPP for the last 11 years for the riding of Timiskaming, I've had the opportunity and the great pleasure of travelling right across northern Ontario.

Maybe not everybody in Ontario appreciates that it's further to drive from Toronto to the Ontario-Manitoba border than it is to go down the I-75 to Tampa, Florida. That's how big a place we live in, and we who live in the north, and several of my northern colleagues here are agreeing with me, we have a very large province, and not everybody has the luxury of being able to fly, as I'm able to do in the north when I travel on business, and not everybody has the luxury of owning an automobile, that many of us I'm sure in this place would take for granted. Not everybody has those two, what I call, luxuries.

Many, many people rely on public transit, and public transit in northern Ontario is basically two things, because we don't have subways, and only in the very largest urban centres of northern Ontario do we have actually bus transit within the cities. Public transit for us in northern Ontario means train and bus. We, in the Highway 11 corridor, by Ontario Northland Railway, have a train service, but it's not the train service that we had up till about six years ago where we had two trains a day; it's down to one.

As we know, the transcontinental trains, run now by Via Rail, have cut down their train service and so bus transportation becomes a very important transportation service for people of modest means in northern Ontario and southern Ontario.

When you live in the city, especially a great city like Toronto, you can use the subway, you can use the TTC buses, you can use GO Transit to get out to the suburbs and commute. You really don't ever need to get on to a Greyhound or Gray Coach or Voyageur bus, but if you live in northern Ontario and you're a 72-year-old grandmother and want to go see your granddaughter somewhere else in northern Ontario or down in southern Ontario where probably you're going to find them, unfortunately, today, because that's what happens with our children moving south, you're going to have to take the bus. I'm not sure that 72-year-old grandmother, who maybe lives in Dryden or maybe even lives further off the road than Dryden, maybe in the Rainy River district,



possibly Fort Frances, is going to be able to have that bus service to get to Thunder Bay or maybe even to get into northeastern Ontario or even to go farther into southern Ontario. That's the problem.

1730

**Mr Len Wood:** They have the same problem in the south.

**Mr Ramsay:** One of my colleagues makes the point that the very same thing is going to happen in southern Ontario, that this isn't just a northern situation. We have great distances in southern Ontario, many small farm communities that were founded in the last century that have shrunk in size as people have moved to cities and to some smaller urban centres in southwestern and in eastern Ontario. Yet people live there; people want to live viable lives there. They want to live there but they want to be able to visit their relatives. In many cases they have to get out of those communities to access medical services, whether they live in southern or northern Ontario. As we all know, many more sophisticated medical services are only available in the urban centres of southern Ontario, and bus travel for many of those people is the only mode of transportation that's available to them.

It's very important that we ensure that a reasonable, viable and safe transportation system is available for all the different needs the people of Ontario have to travel. As our population ages, this is going to become more and more important. As we look across the map we see town after town in southwestern Ontario, whether it be Orangeville, Shelburne, Hanover or Arthur, and many of those towns are going to find themselves without bus service. That is a big concern to many of us.

One point I want to bring up and really what concerns me, where I think maybe the politics in here is—and I'm sure this is going to upset some government members. When I see the initiatives the Conservative government is bringing forward, there seems to be a concerted effort only to bring in policies to a segment of the population that they perceive would be supporters of the present government. I see people, especially on the lower end of the scale, who really are being ignored. In fact, I'll go a little stronger and say they are being victimized.

I haven't heard the Conservative government say to big business, "With the ever-increasing profits that the banks and many big businesses are accruing today, why don't you become better partners in our communities and hire more people in Ontario?" I haven't seen the initiative where the Premier would say, "Sure, it's a free society, but we think that big business has a very important role to play in creating employment in Ontario, not just cutting workers."

I suppose that discussion can't go on for many members of the government because this government is playing the same game itself. Two weeks ago it put 10,600 civil servants on the street over the next two years, so I guess we're not going to see that.

**Hon Norman W. Sterling (Minister of Consumer and Commercial Relations):** They're not on the street.

**Mr Ramsay:** One of my colleagues across the way said they're not on the street, but if you look at unemployment figures today and if you look at the government's own unemployment projections, there is no sign from the government's own figures that the employment

picture is going to be any brighter in the next three years. It's a real concern to us on the opposition side that this government is creating an economic mess in Ontario, that they are creating unemployment by the severe cuts they are doing in the civil service.

Bus deregulation is just one of many areas in which northerners feel really abandoned by this government. We in northern Ontario have always looked, maybe a little more strongly than those who live in the south, at the government as a partner in our lives. Government has been needed as a partner to help develop northern Ontario because of the great distances and the very low density of population. In fact, we have 10% of the population in northern Ontario and basically nine tenths of the land mass of the province.

We need government as a partner and we've always had a visible sign of government as a partner because we in the north are the stewards of most natural resources. The Ministry of Natural Resources, for example, has always been a very big presence in northern Ontario, and what we see with this last statement by the Chair of Management Board a couple of weeks ago is basically a demolishing of the Ministry of Natural Resources.

The Minister of Natural Resources, long before a previous Tory government brought in and invented the Ministry of Northern Development and Mines, has really been the northern government partner with northern Ontarians in seeing that our resources in northern Ontario are well managed. They have been the stewards of our wildlife and our timber resources and, before the Ministry of Mines, also of our mineral resources. What we've seen is basically a demolition of that ministry, and it's a tremendous concern to the people of northern Ontario that we are not going to have the safeguards in place, we're not going to have the supervision, and in fact, we're not going to have employees of the government, representatives of the people of Ontario, directly supervising those resources on our behalf.

I must say to you that this isn't just something that environmentalists who are concerned about our forest resources are worried about. Forestry companies are also extremely worried about this, because they look to the Ministry of Natural Resources, the foresters who are part of that ministry as partners also in the management of forest resources. Even though they have their own foresters, they look to the Ministry of Natural Resources for advice, working with them in partnership to make sure that our natural resources are managed well. They are very afraid that this partnership is no longer going to be there, as we see a government that is bent on privatization of just about everything the government does.

This not only is happening with natural resources; we're seeing this with all the different ministries, and we're very concerned with where this transfer is going to happen, who is going to be in charge of supervising those resources, how are they going to work with the community. I've talked to the Minister of Natural Resources. I know he has some ideas, especially in the Temagami area, a very contentious area of conflicting forest users, of how we're going to manage that area in the future, but in the Chairman of Management Board's statement of the other day, the Temagami office of the Ministry of Natural Resources has been closed. It's been closed arbitrarily.



The people there are going to be moved to North Bay. Ironically, that's the Premier's riding and he's going to benefit from that.

The Minister of Natural Resources knows, though, that there's going to have to be some sort of management body in place in Temagami as he brings forward some sort of management plan. We don't know exactly what management plan it's going to be, but the minister has received as of last week a plan from the Comprehensive Planning Council of the Temagami area, of the Timiskaming area, that a Liberal government, a New Democratic government and a Conservative government had all put their stamp of approval on, and finally we have those recommendations there, and one of those recommendations is some sort of governance model.

Who is going to govern the new plan that is being put forward? I think there should be some sort of local government model there, and I'm certainly willing and open to discuss that with the minister, maybe some sort of conservation authority, maybe some sort of forest authority that would look after all the forest resources there, not just counting trees and managing trees as a resource but all of the forest resource of the woodlands there. Who's going to do that?

We're now kind of left in a position that the Temagami office is closed. There's a hiatus there. There's a vacuum there. We have a very contentious area. We're going to have a very hot summer, I will tell you, in the Temagami area. Probably regardless of whatever the Minister of Natural Resources decides to do there, there are going to be factions from both sides of the equation not happy with the compromise that maybe is being put forward right now by the Comprehensive Planning Council, and it's important that the Ministry of Natural Resources has a presence there, that the government of Ontario has a strong presence there.

The other presence I think we need there, and I know my colleague from Scarborough-Agincourt had mentioned the closing of the OPP offices across the province—that one hasn't been mentioned to date, but it would be very important that our OPP detachment in Temagami also be open in that area, especially over the next couple of years as we move towards a new forestry plan for the Temagami area. I would say to the government, you've got to be careful and think out a lot of these closures, a lot of these things that you're deregulating here and be very careful in what you're doing.

1740

Other closures that have affected my riding also involve the Ministry of Natural Resources. Three of the offices in my riding have been closed, two others besides the Temagami office: the one in Elk Lake has been closed and the one in Englehart has been closed. So we're seeing a shrinkage of the government presence in our area.

It's very interesting to note, actually, politically that the small communities in my riding that have had very strong government presence for the last 50 years have consistently voted for the governing party because of that government presence, because for 42 years, as we all know, the government of the day in Ontario was the PC party. That's how people in those towns voted, because they were government workers, it was a Tory government

in power for all those years, and that's the way they voted. It's ironic for those small communities that it's a PC government that is abandoning those people and their support over all those years and pulling out those agencies, pulling out those government ministries, pulling out those government jobs.

This is the same thing that we fear with the bus service across northern Ontario. In northern Ontario, it's the Ontario Northland Transportation Commission that supplies the bus service, most of it, for northern Ontario. Through the north, we do have the transcontinental buses that are coming from Vancouver or from Winnipeg. They drive through the north, so Greyhound, Gray Coach, Voyageur are passing through. But we also have the Ontario Northland Transportation Commission, the ONTC, supplying buses that travel within northern Ontario, that supply that transportation for destinations within the north.

If you want to go off, say, one of the main corridors, such as the Highway 17 corridor, the Trans-Canada Highway that leads from Montreal through Ottawa, through North Bay to Sudbury to Sault Ste Marie, then you make a big right turn, and you go up around Lake Superior, very beautiful country, the Canadian Shield country there, going to Thunder Bay, you have an opportunity there to split and if you carry on 17, basically you go out through the Trans-Canada Highway through Dryden and through Kenora and eventually to Manitoba.

The other corridor through northern Ontario is the Highway 11 corridor, which is basically, as we all know, through the 200th-year commemoration of Yonge Street, a continuation of Yonge Street. In the north we pick it up, Highway 11 in North Bay, in the Premier's riding. It comes right up through my riding of Timiskaming in through Cochrane South and in through Cochrane North, around the great clay belt area of northern Ontario, through to Thunder Bay. But then after Thunder Bay it splits and goes down through the Rainy River area eventually again to the Manitoba border.

These two highway corridors, by and large, are served by many of the multinational transcontinental bus lines, but in many of the smaller centres within northern Ontario, to get from A to B and from B to C in northern Ontario, we rely on the ONTC network. Of course, that is all regulated and it's mandated that we receive those bus services. For instance, through my riding, the ONTC bus would stop at Marten River coming up from North Bay. It would also stop at Temagami. Those are easy routes because they're right on the highway. But it has to come off Highway 11 at Cobalt to go through to the Tri-town area along Lake Timiskaming, so it has to pull off on to Highway 11B to make a pickup and a stop—and this is also passenger and freight, something that we depend on also in northern Ontario; the parcel delivery system is very effective and efficient and low-cost.

It has to pull into Cobalt, the towns of Haileybury and New Liskeard, back on to Highway 11 up to Englehart. There in Englehart, or actually before that, Earleton, it would have to pull off the highway. The transcontinental multinational bus lines do not make those pulloffs into some of those smaller towns. Going further up the road, to Kirkland Lake: Kirkland Lake is about 25 miles off



Highway 11, so that is, for a bus line, a major detour off the Trans-Canada Highway.

The Ontario Northland bus does pull in there and we have a very beautiful ONTC bus terminal there that also houses some government offices and provides other office space for the town of Kirkland Lake. We're very appreciative of that investment and depend on that bus terminal and the bus routing through Kirkland Lake to serve that community, that finds itself because of its geological proximity of gold mining that was off the highway, unlike a Hemlo, which was right on the Trans-Canada Highway—we depend on the ONTC to supply that bus service. We have that bus service, it services Kirkland Lake and then goes on to Timmins, which again is off the main highway; it's on Highway 144, but you have to make basically quite a routing to get into Timmins off the Trans-Canada Highway if you were to go up to the towns of Cochrane to Kapuskasing, Hearst, up into the great towns of my colleague the member for Cochrane North, Len Wood. So bus deregulation is a very, very big concern for us in northern Ontario.

What I'm saying to you today and to the members of the governing side is that we ask you to proceed with great caution before you deregulate something like bus service. Take a look at the history of why we have had an industry such as this regulated. As you know, there are not very many industries in this province that we do regulate, and we are allowing some, over the last couple of years, to do some deregulation.

One of the contentious issues was telephone service. Telephone service is a bit of a different area because the infrastructure is already in place. Thanks to regulation of that industry, the monopoly company—in Quebec and Ontario it's Bell Canada—built the infrastructure. The infrastructure is in place, so it's possible to deregulate long-distance, and maybe some day, with arrangements through the local-distance carriers, we can get to deregulation of local-distance phone service. We can do that because the infrastructure is in place.

But we just can't jump into this with bus service because there are not necessarily guaranteed bus lines between all of the communities that are served today. That's why I would say to the members of the government side to take a breath. Let's give this some sober thought before we jump off the precipice of deregulation when it comes to bus services and make sure that all the communities that have service today will continue to have service over the years, because I don't want to see and have people come into my office from Kirkland Lake or New Liskeard, anywhere in the riding, who have to go down to Sudbury, which is our northeastern Ontario health care transferral centre.

Sudbury is a referral centre for health care in northeastern Ontario. All of us in the northeast, whether we live in Sudbury or not, are very proud that Sudbury has developed as it has; over the same number of years that the mines have lowered their employment requirements, it has developed into that referral centre. In fact, Sudbury has developed into a world-class health centre to serve not only northeastern Ontario but also a lot of the province, especially when it comes to some of the specialties that Sudbury is very famous for, those two being cardiology and oncology.

As we all know, when some of the lineups are building, as they're building more and more, in southern Ontario, when there was some capacity in the south, Sudbury actually became a destination of choice for many heart patients from southern Ontario because of the high-quality work that the physicians, the nursing teams, all the technicians and all the support staff who work in the Sudbury institutions provide for the people of Ontario. We're very proud of that in northern Ontario, very proud of that in northeastern Ontario, the catchment area that is served by the Sudbury area.

It's the people in my riding and beyond, in the Cochrane South and the Cochrane North area, who require, many of them, bus transportation to get down to Sudbury, to get to the MRI facilities, to get to the CAT scan facilities, to start their cancer treatments, to understand their prognosis and to work with the highly trained staff they find in North Bay and Sudbury and Sault Ste Marie. These are transferral centres for us, referral centres for health care for all of northeastern Ontario. It is very important that the people in the small towns are connected to these larger urban centres.

While you look at the map and look at those centres and say, "Sure, there's going to be no problem in the private sector providing bus service between Sault Ste Marie and Sudbury," and I'm sure Sault Ste Marie through Sudbury to North Bay, while we know that's going to be in place, it's very important that we have the bus service we have today to make sure that in those small centres our people are connected to those services.

1750

I wish we had all those services out of Sudbury and North Bay and the Sault and, in the northwest, out of Thunder Bay to provide those services for the people of northwestern Ontario, but unfortunately we don't. We can't supply all the services sometimes because of the capital requirements and sometimes for the very highly specialized expertise required to deliver very sophisticated services, which maybe can only be delivered in Sick Kids Hospital and some of the other Toronto hospitals.

Therefore, we also require very good bus transportation out of the small communities of northern Ontario into the large urban centres of southern Ontario, Toronto being a primary one, but also to be able to get over to London for a cardiac operation and other services. It's very important to the people of Ontario, especially in northern Ontario and rural Ontario in the south, to have first-rate bus services to provide transportation for family visiting relatives, for our seniors going on trips, for people going on vacations and, as I've talked about at great length this afternoon, for our families in northern Ontario to access the health care services we are not fortunate enough to have in our own communities. These services are very important.

Through Bill 26 and other legislation this government has brought forward, they have jumped in without the thinking I wish they had become involved in before they jumped off the precipice, in this case, of deregulation without giving it the thought I believe it deserves.

**Mr Crozier:** A very high precipice.

**Mr Ramsay:** As my colleague from Essex South says, this is very high precipice. This probably is a dangerous



one to leap off. Many of the government members who represent rural constituencies had better give this, on the political side, a very close look too. I think they may be abandoning some of their own constituents, which I am sure deep down they would not want to do.

What we have to do, what I have always done in my 11 years, is to look after the interests of my constituents first. I would say to the government members, you should do that and put the brakes to bus deregulation.

**The Speaker (Hon Allan K. McLean):** Questions or comments?

**Ms Martel:** I'd like to congratulate the member for Timiskaming for raising the concerns on behalf of the constituents in his part of northeastern Ontario. I'd like to thank him as well for pointing out the discrimination by this Conservative government which continues against northeastern Ontario and northern Ontario as a whole.

He was very quick to point out the fact that we have lost regular scheduled air service which was once provided by norOntair, once established by a former Tory government; that we have had a number of programs delivered by the Ministry of Northern Development and Mines gutted; and that we now have the spectacle of at least 2,100 staff losing their jobs at the Ministry of Natural Resources, one half of those being in our special part of the province.

I know if the member had had time he would have wanted to point out what the minister said in this House last week when he talked about bus deregulation, particularly with respect to his desire that this Conservative government lobby other provinces to move to full bus deregulation. He said specifically: "It will give us a chance to work with the federal government and other jurisdictions to encourage deregulation of the bus industry in other provinces. In this way, we can ensure Ontario bus companies a fair access to other markets within Canada."

It's worth pointing out again what the position is of both Manitoba and Quebec with respect to bus deregulation, because it is completely opposite to the direction this minister is taking, specifically in Quebec. The Quebec government has said, as late as November: "As things stand, total deregulation threatens to accelerate the process whereby regional bus transport services gradually disappear. Moreover, the resulting greater competition in the more profitable routes would force carriers to drop the less heavily travelled time periods and concentrate on the hours and periods most in demand. While it may be natural and logical, this move towards market concentration runs counter to our priorities, namely, maintaining stable services to the greatest number of Quebecers possible."

In Manitoba, they said: "There is simply no major problem that would be addressed by bus deregulation and no significant constituency advocating it, other than on theoretical or ideological grounds."

No other jurisdiction, in terms of our neighbours, wants to move to this. I don't know why we are.

**Mr Colle:** The one thing we're telling the government on this is that if they were to look at the UK example, with bus deregulation there was a 25% reduction in the number of people using buses and services deteriorated.

Also, look at the American example. I know they've referred to the 400 lost communities in Ontario and keep on repeating that, but they never once refer to the fact that in the United States, when Ronald Reagan deregulated intercity buses 5,000 of the almost 10,000 communities that had bus stops before deregulation lost their bus stops. In other words, those communities were left without bus service.

What that tells me is that the ministry has not done a comprehensive analysis of the impact of what they're going to do. They obviously haven't looked at the UK, haven't looked at the United States. If they were to incorporate analyses of what those did to bus service and what it meant to the providers, along with the Ontario example, put it before an independent group that can analyse this and say: "Here's what it means to the people who need the bus service. Here's what it means to the providers"—because right now the providers do not agree with the direction of this bill. In other words, the people who are providing, for the most part, good bus service in Ontario think the government isn't doing the right thing with this bill.

Before you go in this new direction, sit down and do an analysis, come back and give us the written analysis to show us what the impact is going to be, and then we can have a better debate.

**Mr Gravelle:** I also want to take the opportunity to congratulate the member for Timiskaming for his comments. It's really important, at least for those of us on this side of the House, to make it as clear as possible to this government that this bill in many ways symbolizes a lot of things that are wrong and are going wrong with this government.

I want to note especially that although many of us as northerners, the member for Timiskaming and other northern members, have spoken of this issue as extremely important to us in terms of retaining service for the seniors, for people who need it and rely on it—and this government continues to not understand that—it's very significant as well that the member for Scarborough-Agincourt spoke earlier, and the member for Lawrence, and the member for Oakwood spoke as our critic on this issue. It's important to note that these are members from urban ridings who are showing their concern for the entire province, unlike those on the government benches. It's really quite sad, because certainly a number of members on the government side represent rural ridings and those are the ridings that we know are going to be most dramatically affected by the deregulation of the system.

Let's not kid ourselves. That's what this is really leading to and what it's all about. It's a sad day for the province when a government moves ahead, with no regard at all for the people who actually got them here. We are going to continue to fight this battle. We are going to vote against this bill and we are going to implore this government to consider that they should remove this bill. They should certainly remove it and give those people an opportunity to discuss it in a more full way before this action takes place.

I am proud of how our caucus has responded, how all those in opposition have responded in opposition to this bill, and I ask all those to consider voting against it.



**The Speaker:** The member for Timiskaming has up to two minutes for wrapup.

**Mr Ramsay:** I'm pleased to wrap up and finish off our debate today on bus deregulation. I appreciate the remarks from the members for Sudbury East, Oakwood and Port Arthur.

The member for Sudbury East brought up a very good point about the policies of Manitoba and Quebec. It's something the government had better be aware of. If you start getting into deregulation here, the bus companies from Quebec are going to be coming in here and putting into jeopardy a lot of our Ontario companies in bus service. You'd better watch that. It's one of the reasons we have a regulated system, to make sure that in areas such as this, where we encourage private sector participation, there is a fair, level playing field when it comes to who can participate in that business. And of course we want to make sure that Ontario companies have a fair opportunity to participate and make a profit but at the same time provide service to those places in Ontario that might not, on only a for-profit basis, receive service.

It's very important to us to make sure you don't just jump off this ledge into total deregulation but that you proceed with caution. That's why my colleagues and I will be voting against this bill.

**The Speaker:** This is a motion for second reading of Bill 39. Is it the pleasure of the House that the motion carry?

All those in favour, say "aye."

All those opposed, say "nay."

In my opinion, the ayes have it.

Call in the members. It will be a five-minute bell.

**Interjection:** Thirty minutes.

**Hon Mr Sterling:** Mr Speaker, I think there's unanimous consent to have a five-minute bell rather than a 30-minute bell.

**The Speaker:** Is there unanimous consent?

**Mr Christopherson:** I have a deferral, Mr Speaker.

**The Speaker:** Deferral: "Pursuant to standing order 28(g), I request deferral of the vote on second reading of Bill 39 until immediately following routine proceedings on May 1, 1996, before orders of the day."

It's been deferred until tomorrow.

Pursuant to standing order 34, the question that this House do now adjourn is deemed to have been made.

1800

## WORKERS' COMPENSATION

**The Speaker (Hon Allan K. McLean):** Pursuant to standing order 34(a), the member for Hamilton Centre has given notice of his dissatisfaction with the answer to his question given by the minister without portfolio, Workers' Compensation Board, concerning his report on WCB. The member has up to five minutes for his statement and the minister will have up to five minutes for rebuttal.

**Mr David Christopherson (Hamilton Centre):** I have requested this late show because on at least two occasions now I have raised questions in the House during question period with the minister responsible for reforming the WCB, and in both those cases I did not receive answers to my questions. It wasn't an issue of not getting the kind

of answer I wanted; it was more a matter of the minister deliberately, in my opinion, avoiding dealing with the substantive parts of my questions. I feel that those questions have a right to be answered, particularly given that they're about injured workers and what this government is going to do to injured workers through their reform of the WCB.

Yesterday I raised the minister's report—I'm going to give a number of examples where I make the case that this paper, which is the foundation upon which the government is planning to slash benefits to injured workers, is shaky, at best, and totally inaccurate.

On page 26 of that report the minister says, "In Quebec, an employer pays an injured worker's full salary for the first 14 days." The minister knows that a letter was sent to him on March 9 from the assembly of injured workers of Quebec where they say, "This is absolutely wrong." They go on to explain that the WCB in Quebec pays the worker 90% of net, just as we do here in Ontario.

The same organization points out that in the report the minister talks about the method of paying life pensions in lump sums, and they characterize that as "absolutely wrong." They go on further in the letter that they've sent to the minister to say, "Unfortunately on these two occasions what is written about our system is false."

My questions were and remain regarding those two issues: How did mistakes like that happen in terms of that's what is in this report, and it's wrong, so how did that happen? Second, what is the minister going to do about it? Since this is their cover for attacking injured workers and we're proving that it's not correct, what's he going to do about it?

I raised a couple of weeks ago the fact that in the same report, the minister says, "Ontario's average rate is estimated to be over 40% higher than the average rate in neighbouring Great Lakes states."

I brought forward a report commissioned by the federal government, done by KPMG Peat Marwick, wherein they make the case—and the federal government is using this document, to the best of my knowledge—that our costs are not only comparable but they're lower. I asked the minister to present and provide his documentation that proves what's in this report on this matter and many others, and I want you to know, Speaker, that to date we have not received that documentation.

Just yesterday, when the minister was responding to my comments, he said in the House that "still the unfunded liability laid at about \$14 billion." That's out of yesterday's Hansard. The unfunded liability has never been at \$14 billion, but the minister said very directly, without any caveats at all, that it's at about \$14 billion. It's not. It's at \$10.9 billion. There's a big difference, particularly when this government is using the unfunded liability as an excuse as well as talking about the fact that the WCB does not have the fiscal ability to manage its portfolio. The fact of the matter is that the investment fund of the WCB is now up over \$7 billion. That's up from \$6 billion just a while ago.

The report, the minister's comments, everything is based on absolute falsehoods. It doesn't hold up. I think I have a right on behalf of injured workers to demand the



minister prove his comments or take this document back and fix it and present us with the truth.

**Hon Cameron Jackson (Minister without Portfolio [Workers' Compensation Board]):** I appreciate the opportunity to make clarifications about the issues which the member opposite raises with some degree of vigour and some degree of convoluted approach. But the truth is, we will unfold for the member opposite the clarifications he's been seeking.

Clearly, the system in Quebec with respect to what employers are paying is 90% of net, plus there is the top-up. This is net, after tax, plus top-up. So the argument could be made that an injured worker in Quebec does make more money on workers' comp than they do if they're an uninjured worker. Could I have made the suggestion in the report more clear? I didn't think it was appropriate to underscore the fact that in Quebec it's possible to make more on compensation than it is to be retained in your workplace. The member opposite would know that most employer groups that are organized do 100% top-ups that include that, so the report could have been strengthened by indicating that they get paid full salaries at the prescribed statutory level, but it's at 90%. Our point is that it's at 90% and that we're examining as a province reducing it to 85%.

I'll give him an example. An injured worker in Quebec or in Ontario earning \$40,000 will end up with a total income, with the adjustments for WCB and so on and so forth—a \$40,000-income worker who's healthy would have a total income after taxes of \$29,299. Under the WCB system in Ontario and in Quebec, that injured worker would end up with a total income of \$30,336, \$1,037 ahead to be an injured worker. That was the point of raising it in this issue.

On the issue of commutation of pensions, I want to apprise the member that the commutations that occurred in the province of Quebec—it was a measurement of the degree of disability. Certainly, people with 100% disabilities were not able to cash out hundreds of thousands of dollars from the pool. In fact, and don't quote me on the number, but it was like 20% or 30%—

**Mr Christopherson:** I like that: "Don't quote me on the number."

**Hon Mr Jackson:** Well, you want clarity.

**Mr Christopherson:** Provide it.

**Hon Mr Jackson:** The fact is that there was commutation of pensions, and the OFL has indicated very clearly to us that there are some concerns with commutation. But

the report has to acknowledge that jurisdictions in Canada have resorted to commutation; it was appropriate. It's one of the 56 different ideas that should be discussed and considered, and we raised it.

I want to talk about the comparative rates, because on this issue members of the House will be pleased to learn that the member is using the optics of statistics in the worst possible fashion. The report you're using, the KPMG comparison, was done only with the manufacturing sector, and the difference with the KPMG report is that in many circumstances in the United States it's separated the secretarial pool from the manufacturing unit. It artificially skews the actual rate. The member is using statistics in a rather offensive way, because we are talking about all injured workers; your defence is only manufacturing workers without calculating in the secretarial pool.

**Mr Christopherson:** Give us your background material.

**Hon Mr Jackson:** The member opposite asks for the answers; we're giving him the answers. He really just doesn't want to know the truth.

**Mr Christopherson:** Give us the material.

**Hon Mr Jackson:** If the member opposite can't pick up the KPMG report and open it on page 1 and find that this is only the manufacturing sector, and if that same member can't pick up a discussion paper which says all injured workers in Canada should be compared with the rates that are paid by all injured workers in the jurisdictions in the United States—

**Mr Christopherson:** Where's your backup, Cam?

**Hon Mr Jackson:** —the documentation comes from the National Institute for Workers' Compensation Systems—both in the United States and in Canada. The member opposite would compare states like Florida and Rhode Island and Nevada, and this province wants to compare it with our immediate trading partners, the people who are looking at the jobs in the auto sector, like Michigan and Ohio. Those jurisdictions south of the border have balanced their unfunded liability. What we inherited from your government was a \$14-billion unfunded liability.

**The Speaker:** Order. There being no further matters to debate, I deem the motion to adjourn to have been carried. This House stands adjourned until 1:30 of the clock tomorrow.

*The House adjourned at 1812.*



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Une liste alphabétique des noms des députés, comprenant toutes les responsabilités de chaque député, figure dans les premier et dernier numéros de chaque session et le premier lundi de chaque mois.



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Ted Chudleigh, Marilyn Churley, Dwight Duncan,  
Barbara Fisher, Steve Gilchrist, Pat Hoy,  
Jean-Marc Lalonde, Bart Maves, Bill Murdoch,  
Jerry J. Ouellette, Joseph N. Tascona  
Clerk / Greffier: Douglas Arnott

**Social development / Affaires sociales**

Chair / Président: Richard Patten  
Vice-Chair / Vice-Président: John Gerretsen  
Dominic Agostino, Janet Ecker, John Gerretsen,  
Michael Gravelle, Helen Johns, Leo Jordan,  
Floyd Laughren, Julia Munro, Dan Newman,  
Richard Patten, Trevor Pettit, Peter L. Preston,  
Bruce Smith, Bud Wildman  
Clerk / Greffière: Lynn Mellor



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Tuesday 30 April 1996

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## Legislative Assembly of Ontario

First Session, 36th Parliament

## Assemblée législative de l'Ontario

Première session, 36<sup>e</sup> législature

# Official Report of Debates (Hansard)

# Journal des débats (Hansard)

Wednesday 1 May 1996

Mercredi 1<sup>er</sup> mai 1996



Speaker  
Honourable Allan K. McLean

Président  
L'honorable Allan K. McLean

Clerk  
Claude L. DesRosiers

Greffier  
Claude L. DesRosiers



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# LEGISLATIVE ASSEMBLY OF ONTARIO

Wednesday 1 May 1996

# ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

Mercredi 1<sup>er</sup> mai 1996

*The House met at 1333.  
Prayers.*

## MEMBERS' STATEMENTS

### PHYSICIAN SHORTAGE

**Mr David Ramsay (Timiskaming):** I wish to read the first paragraph of a March 7 letter from a New Liskeard doctor to the Minister of Health that has yet been unanswered:

"I invite you to come to speak with me over dinner in a congenial manner to discuss the reasons why I, like many other physicians, am on the brink of ending my career in family medicine. You will not see anger, but you may see tears in my eyes."

The health care system is in crisis in the towns of New Liskeard and Kirkland Lake, which I represent. Just about half the doctors in New Liskeard are planning to leave. Two have gone to the United States; five more now have engaged the services of recruiters who are actively recruiting our northern doctors.

This is a time bomb. This is just the very beginning of the doctors who are leaving Ontario. It's a province-wide phenomenon. Doctors who have access to the OMA members' forum on the World Wide Web tell me that hundreds of doctors are signing off from Ontario.

Our medical graduates are also planning not to practise in this province. After spending \$2 million to \$3 million on these bright young men and women in Ontario, they are leaving for greener pastures in the United States.

I implore the Minister of Health to stop what he's doing right now and prevent this crisis from happening. We are on the brink of losing hundreds and hundreds of some of our brightest men and women who have put in a lot of years in Ontario and those who have put in a lot of hard work in our universities.

This is a crisis. I implore the minister to get at it and give our doctors some confidence that there is a future in health care in this province.

### NORTHERN POLICE SERVICES

**Mr Gilles Pouliot (Lake Nipigon):** The legitimate concern, the lament, emanating from the people of Lake Nipigon continues. Hundreds of people in my riding have taken the time to voice their anger and frustration at this government's arbitrary decision to simply dismantle OPP services in northwestern Ontario.

Because of cutbacks, residents of Schreiber, Terrace Bay, Upsala and Manitouwadge now have to travel for up to two hours along often treacherous highways to get

certain OPP services. Travelling along Highway 17, as you may know, Mr Speaker, on the north shore of Lake Superior during winter is not a pleasant journey; most hazardous, indeed.

When people need OPP assistance, they expect to speak to a real person when they arrive at the station, only too often to find that the doors are locked, nobody to address their concerns to, no one available. Once again, rural communities such as Manitouwadge in the great riding of Lake Nipigon are being deprived of services they are entitled to receive.

Later in the House, as part of routine proceedings, I will present a petition which is signed by close to 1,000 residents of our riding demanding essential services that they so rightly deserve and that Torontonians take for granted.

### CANADA-UKRAINE BUSINESS EXCHANGE

**Mr Derwyn Shea (High Park-Swansea):** Along with my distinguished colleague from Etobicoke-Humber, this past weekend I had the pleasure of addressing a delegation on the opening day of a week-long conference held here in Toronto. The name of the conference is the Canada-Ukraine Business Exchange, in which over 100 business leaders from Ukraine are participating. More than 80 of them are with us today in the public galleries.

This week's important conference has been organized to assist Ukraine in better meeting those challenges. Ukraine is a large country of 60 million enterprising, hardworking people. It has an abundance of natural resources and a groundswell of intellectual and technical expertise to share with the countries of the industrialized western world.

I am proud that Canada was the first country to recognize Ukraine as a free state in 1991. I'm equally proud that in 1996, Ukrainian business leaders have come to Ontario to deepen our mutual economic cooperation and partnership. On behalf of the Ontario government, I salute all participants in the Canada-Ukraine Business Exchange and assure them of our commitment to working with them towards the goal of ever-expanding trade relationships between Ontario and Ukraine.

*Remarks in Ukrainian.*

### NEGRO CREEK ROAD

**Mr Alvin Curling (Scarborough North):** The Minister of Citizenship, Culture and Recreation is aware of the Underground Railroad and the significant role it has played in the rich history of this great country. One such area is Holland township, south of Owen Sound. Many blacks had settled, raised families and contributed to the economic wellbeing of the region.



As far back as 1851, it was recorded in historical documents that the name Negro Creek Road was established in that vicinity. It has recently come to my attention that this road has been renamed Moogie Road. This name was changed with total disregard for this most significant historical contribution.

The Ontario Historical Society, the Oro-Medonte History Committee and the Ontario Black History Society, to name but a few, are concerned about the threat of tampering with Ontario's documented history. I urge the Minister of Citizenship to undertake and to ensure that the black historical heritage of Negro Creek Road and other such landmarks is protected for future generations and that the changes are not done to further any private economic ventures or individuals with ulterior motives.

1340

### GOVERNMENT POLICY

**Mr Peter Kormos (Welland-Thorold):** Speaker, you know that Harris and the Tories told voters during the course of last year's election that their government would work closely with municipalities to ensure that any actions government takes will not result in increases to local property taxes.

Well, I'll be darned, because just yesterday down in Welland, the Niagara South Board of Education had to increase property taxes to the tune of 2.8%, and that's after they had gutted their reserves by in excess of \$2 million, after they had slashed hundreds of jobs, including hundreds of classroom teachers and support staff, after they had to eliminate junior kindergarten.

I suppose this lends credence to the adage that if you're going to lie, lie big, tell the big one, because that's what folks heard and that's what people are saying down in Welland-Thorold today after being confronted by higher property taxes, real slashing and attack on the quality of education in the classrooms of Niagara south, the prospect of police stations being shut down, roads being unrepaired and indeed fewer and fewer services for people who need them.

People in Welland-Thorold aren't going to take it any more than people across this province are going to take it. They know when they've been had. They know when they've had their pockets picked. These are Mike Harris's taxes that are the new taxes being imposed upon property owners in Welland-Thorold. Nobody else can accept responsibility for them but Mike Harris and the Tories. People in Welland-Thorold are saying now, more than ever, Mike Harris lied.

**The Speaker (Hon Allan K. McLean):** I am concerned with regard to the language in the Legislature. I would ask the honourable member for Welland-Thorold to reflect on that.

### GASOLINE PRICES

**Mr E.J. Douglas Rollins (Quinte):** Today I would like to speak about an issue on the minds of every motorist in the province, and that's the price of gasoline. I believe many of the concerns motorists have with the

changing price of gasoline could be well addressed if the major oil companies were required to pay a price for gasoline at the gate, that is, as it leaves the refinery.

Currently, large oil companies require independent operators to pay for the gasoline when it gets to their stations, but the large companies do not have to do this because they only pay for the gasoline after it gets in the consumers' tanks. This puts a large strain on us as tax collectors, because they do not pay it until after the customer starts to burn it in his car.

Paying for gasoline at the pump really disadvantages the small individual companies and allows the large companies to abuse our system. By making all the major oil companies start paying that price at the gate, this will alleviate the price fluctuating up and down.

I hope this government takes some steps towards making the larger oil companies start to pay their fair price for gasoline.

### ST CATHARINES STANDARD

**Mr James J. Bradley (St Catharines):** An era came to an end in our city yesterday when the St Catharines Standard was purchased from the Burgoyne family by Southam Inc and one of the last independently owned newspapers became part of the Southam chain.

Over the years, the emphasis has been on community coverage, and strong support has been provided by the Standard for local projects, programs and initiatives. No event in St Catharines and surrounding area has been too insignificant to merit an article or a photo, and no issue of local importance has been deemed subservient to those of international or national significance.

The quality of the Standard has been a justifiable source of pride, not only for those who have been part of the family of reporters, printers, advertising personnel, office staff, production employees and circulation staff, but also for the community at large. Many who have been in the employ of the Standard have, on their own or as an extension of the responsibilities at the newspaper, contributed immensely to the community organizations and community endeavours, and all residents of our city have benefited as a result.

From William B. Burgoyne in 1892 to Henry B. Burgoyne in 1996, the Standard has been an extension of the Burgoyne family which has set an outstanding example of community responsibility and involvement. A fine tradition has been established in the independent, family-owned, community newspaper known as the Standard. Its staff is highly competent, proud of its independence and ready to continue to serve the community in an excellent fashion.

All readers of the Standard express the hope that the new owners will continue that fine tradition and will retain all the qualities and people that have made it a success.

### APPOINTMENTS PROCESS

**Mr Floyd Laughren (Nickel Belt):** Yesterday I asked a question to the Minister of Health regarding appointments to district health councils. Appointments are



supposed to be made based on local recommendations. If appointments are made from the centre, that is, Toronto, then this government will completely destroy the credibility of the councils and will destroy the purpose of those councils. The health councils are set up as community bodies that inform and advise the ministry about local health concerns.

The appointment process has always been one where the candidates are recommended by council, not where the minister imposes his selection on the council. Previously, the council's recommendations were always based on the candidates' merits, not their political affiliation. This open and transparent appointment process was the case under both the Liberal and New Democratic governments.

When we were in government, the appointments we made were the people whom council recommended. We listened to the council. This government is listening to the Sudbury and District Medical Society and local Tory hacks.

Yesterday, the minister was petulant and defensive in his response to this issue. This proves that this government is not interested in working with communities but wants to impose the government's will on them instead, and that is wrong.

#### MULTIPLE SCLEROSIS

**Mrs Helen Johns (Huron):** May is Multiple Sclerosis Month, and I am pleased to stand on behalf of the Minister of Health and recognize this very important month.

Multiple sclerosis, MS, is the most common disease of the central nervous system affecting young adults in Canada. An estimated 50,000 Canadians have MS. As yet the cause and the cure are unknown, but recently drugs to reduce the frequency and severity of MS attacks have become available. In addition, many MS symptoms can be helped by medication and therapy.

MS affects more women than men by an almost 2-to-1 ratio and usually strikes people between the ages of 20 and 40. MS is more common in countries that are farther away from the equator, like Canada. Canada has one of the highest prevalence rates of MS in the world.

The reinvestment of \$170 million to expand community-based care announced last month by the Minister of Health will help persons with MS to live independently through the development of flexible service arrangements in home care, attendant care and palliative care, as well as a greater flexibility to allow services to change with the condition of the consumer.

On May 9, 10 and 11, volunteers will be offering carnations to the public in return for donations to MS research and services.

**The Speaker (Hon Allan K. McLean):** The member's time has expired.

#### VISITORS

**The Speaker (Hon Allan K. McLean):** I'd like to inform the members of the Legislative Assembly that we have in the Speaker's gallery today a delegation from

Ukraine headed by Professor Stefan Volkovetsky, Premier and head of the Ivano-Frankivske regional state administration in Ukraine. Please join me in welcoming our guests.

#### STATEMENTS BY THE MINISTRY AND RESPONSES

##### VIOLENCE AGAINST WOMEN

**Hon Dianne Cunningham (Minister of Intergovernmental Affairs, minister responsible for women's issues):** Today marks the beginning of Sexual Assault Prevention Month in Ontario, a month in which the government, in partnership with voluntary organizations and others, focuses on our initiatives to stem violence against women.

Too many women are not safe in their own communities, are not safe in their own homes as a result of violence. Sexual assault, wife assault and sexual harassment are just some of the forms that violence takes.

According to Statistics Canada, more than 50% of women in Canada over the age of 16 have experienced some form of physical or sexual violence. But statistics alone don't speak to the terrible human cost in pain and suffering endured by women and their children, nor do they speak to the economic hardship that violence imposes on its victims.

Both the human and economic costs to the victims of violence are high. Not only does violence inflict personal pain on its victims, there is also a huge cost to society. Violence against women costs Canadians more than \$4.2 billion a year.

We must continue to focus our energies on women's safety. This government is firmly committed to that direction. Two examples are the government's recent announcement of an additional \$11 million in capital funding for nine women's shelters and our ongoing commitment to provide front-line services to women and their children. More importantly, this government is committed to ensuring that the \$100 million it spends annually on violence initiatives is spent on programs and services which are effective, responsive, efficient and accessible.

1350

The government provides funding for more than 50 programs and services, including 97 shelters, 34 rape crisis and sexual assault centres, 27 hospital-based sexual assault treatment centres, community counselling services, 16 male batterer counselling programs, and victim/witness assistance programs in 13 crown offices across Ontario.

However, governments are only one part of the solution. Just as important is the dedication and hard work of thousands of volunteers and professionals in communities across the province. I would like to take this opportunity to salute their efforts on behalf of all Ontarians.

Our government firmly believes that shared responsibility, like the initiative demonstrated by these volunteers and professionals, is key to stemming violence against women. That is why we are providing funds to 78 community-based organizations across the province to



develop public education projects on sexual assault. These are projects born of the community, tailored to the community, and best positioned to address the problem within the community.

Grants support numerous projects, from public seminars designed to change attitudes towards sexual assault, to initiatives in schools to change sexual attitudes and behaviour, to advertising directed at raising awareness of the seriousness and impact of sexual assault.

While the range of public education projects is great, the initiatives of community organizations is just one example of the government community link which we are fostering. It will take our best collective efforts to end sexual assault, not just in this month, but every day of every month, and as a result deny sexual assault a future.

**Ms Annamarie Castrilli (Downsview):** I can't believe what I just heard here. The minister's announcement, her statement today, is nothing short of a joke. She speaks about the record of the government and I'd like to take you a little bit through that record.

Let's start with July and let's start with axing funding for counselling for abusive males which this government did.

Let's look at the cuts to second-stage housing.

Let's look at the cuts to legal aid.

Let's look at the cuts to child care.

Let's look at the cuts to social assistance which affected women disproportionately.

Let's look at the November 29 economic statement.

Let's look at the fact that they axed commercials that sought to eliminate violence against women—\$475,000 cut.

Let's look at the cuts in the Solicitor General's department with programs directed at wife abuse and sexual assault prevention.

This is a very serious record. Don't talk to us about the wonderful record of this government. Let's look at the very latest figures, the business plans that this government brought forth for the office responsible for women's issues. The Ontario Advisory Council on Women's Issues is going to be disbanded with cuts resulting from that. They are streamlining, so they say, the administration of violence-against-women prevention programs—another cut of \$1.6 million. The Ontario women's directorate is going to be restructured with additional savings, supposedly, of \$2.1 million. There's going to be a transfer payment program saving for women's centres—another \$1-million cut.

"Restructuring" is a code word for this government. It's a code word which really heralds an ideological war against women, against women who are least able to look after themselves, against women who are victims of situations which are beyond their control. So they tell us, "Well, we're investing \$11 million." That's capital. What about services? Where are the services for women anywhere?

As if that weren't enough, this minister threatened women's groups in her own community with funding cuts if they didn't stop criticizing the very severe situation that this government was creating. It's so bad that the White Ribbon Campaign of men working to end violence against women refused to send ribbons to this government because of its shocking record.

The record speaks for itself. It's not what you say today. The record is abysmal. Quite frankly, this government and this minister ought to be ashamed of themselves for standing up today on behalf of women who are sexually abused.

**Mrs Sandra Pupatello (Windsor-Sandwich):** Might I just continue. In the minister's statement today she mentions that the government must continue to focus energies on women's safety. I'd like to suggest that the focus must be greater than that and in particular why this topic should involve children. I would urge the government to consider a focus on children's services and why they are certainly related to Sexual Assault Prevention Month and why they must be highlighted.

So many of these children, who are children at risk in Ontario, will either be abusers or they will be assaulted if we don't continue to focus on several ministries that deal with children and focus on the preventive nature, how to keep children out of those family circumstances and community circumstances which do lead to assault and how to speak to the prevention issue, that it does go far deeper than that.

If I look at my own community, the sexual assault treatment centre that is run within Grace Hospital at the moment is suffering from a 6.5% decrease in funding because it is affiliated with a hospital. What that means is that they must find those savings this year out of medical supplies. But that won't be the case next year, and yet they'll be hit again with a decrease in funding next year. This is such a vital area that I urge the government to continue to look at the very special needs of children at risk.

**Ms Marilyn Churley (Riverdale):** It's absolutely disgraceful that this government is cutting funding to prevention-of-violence-against-women programs to help finance a 30% tax cut that is mainly going to benefit the rich in this province. This government has mastered the sleight of hand of taking millions of dollars out of vital programs and then putting a small amount back a few months later and patting themselves on the back and saying, "Look at the good work we're doing." That is exactly what they are doing.

The Ontario Coalition of Rape Crisis Centres was told by the Deputy Solicitor General on Monday—I hope the minister knows this—that funding to rape crisis centres would not be cut in the coming year. Well and fine, but they were cut by 4.8% last September.

Now, it's very good news to hear that there will be no more cuts in that specific area—

**Hon Mrs Cunningham:** Thank you, Marilyn; thank you.

**Ms Churley:** —but it doesn't change the fact that in this month of May we are talking about sexual assault prevention. Prevention is a major area that's suffering from this government's agenda, which is to focus on core services, which we must do. But in order to stop the violence and the sexual assaults that go on out there, the minister has to pay attention to prevention and make sure that the province—

**Hon Mrs Cunningham:** Come and talk to us.

**Ms Churley:** Will the minister just sit and listen to my statement here, Mr Speaker? She is constantly commenting. I think I have something important to say here.



I'm going to remind the minister of something the Ontario women's directorate wrote just last year, in 1995. About half of the cases of wife assault result in physical injuries to the woman. In 80% of wife abuse cases, children are present. Violent behaviour is learned, says the OWD. Some studies indicate that between 40% to 60% of assaultive men witness wife assault during their childhood. There are many, many reasons why prevention and prevention programs are absolutely vital.

1400

The Ontario Coalition of Rape Crisis Centres said in a news release this morning, "Budget cutbacks from the provincial government have made prevention work a distant, seemingly unachievable goal leaving little hope for the future."

The coalition has not been able to get any information from the Ontario women's directorate—and neither have I—on where those cuts announced in the so-called business plan are going to be made. They have reason to believe the major cuts will be in training for police officers dealing with sexual assault. I really hope that isn't true.

The coalition says only about half of the rape crisis centres that applied for funding for sexual assault prevention month were approved. This is a far smaller number than usual.

Normally the OWD puts out public service announcements, buttons, leaflets and fact sheets on Sexual Assault Prevention Month. This material has been seriously cut back. There are no public service announcements. Where is the material for this year?

The coalition has also not been able to get confirmation that funding for long-term counselling will continue from the Ministry of Community and Social Services and the Ministry of Health. Coalition president Anne-Marie Aikins said, "Prevention must be a priority for the government, for agencies and for individuals if we are ever to stop violence against women and children."

Finally, as with most decisions this government has made, cutting prevention dollars is shortsighted and very costly in the long run.

I understand the minister is starting up a whole new review of the OWD once again, after our government spent three years looking at it. I would like to get information as to what this review actually involves. I understand they're going to be looking at a policy-based review and services review.

Let me say to the minister, if indeed there is a review going on, that prevention be part of that review and be looked at very, very seriously, because cutting back now is going to cost far more money and pain down the road.

#### ORDER AND DECORUM IN THE CHAMBER

**The Speaker (Hon Allan K. McLean):** I'd like to beg the indulgence of the House to make a short statement today on order and decorum.

This statement arises out of my increasing concern over the last several weeks for the dignity of this chamber and its parliamentary traditions. I find that the use of unparliamentary language is becoming commonplace. This is unacceptable. Members should refer to each other with respect and in a manner in which they themselves

would like to be addressed. All members of this House are honourable and should be treated as such.

This chamber is the focal point for parliamentary debate and should not be used for actions that do not support that function. Demonstrations in this House by the public or by members themselves are out of order. I would ask all members to take this into consideration the next time they consider making their point by unparliamentary actions rather than parliamentary words.

Other Speakers have made statements similar to this one. I myself have addressed this House before on such issues and I again ask members on all sides of this House to conduct themselves honourably and to cooperate in imposing on themselves the order and decorum that they expect of others in this chamber.

Let me conclude by repeating what I've said before: The efforts of all members are required to maintain order and decorum in this chamber. The Speaker cannot do it alone. However, I can and will enforce the rules rigorously, and I have confidence in your capacity as members to behave with dignity. Thank you.

#### ORAL QUESTIONS

##### INDEPENDENT HEALTH FACILITIES

**Mr Sean G. Conway (Renfrew North):** My question today is to the Minister of Health and concerns the Harris government's plan to privatize much of Ontario's health care sector. Yesterday you told this House, in response to a question from the Leader of the Opposition, that you and your ministry knew nothing about the involvement of an American company, National Medical Care of Boston, in the Ottawa-Cornwall dialysis project which you happily launched last week at the national capital, that you and your department knew nothing about National Medical Care's involvement in that proposal until after you made the announcement in Ottawa last week. Is that still the official position of you, as minister, and your department?

**Hon Jim Wilson (Minister of Health):** The short answer is no. I think Dr Posen is correct that an official of the ministry was told about it, probably back in January or February. The problem with the RFP, I guess, is that the officials knew this is a sensitive area for us, the politicians, the people of Ontario, and they informed me—I'm not putting any blame here, but reading through the RFP, it has Canadian proponents and a Canadian company. There is no American company in the RFP. It is called NMC Canada Inc all the way through the pages. They said, "Minister, we didn't think to flag this to you as an issue because under the rules of Canadian preference here, we're dealing with a Canadian proponent," Dr Posen and the nephrologists in Ottawa-Carleton, who have a non-profit Canadian company as the proponent. Also, the management team that apparently is mentioned in the RFP is a Canadian company. It turns out it is a subsidiary of the Boston-based American company. That's what I know of it.

Now that we know of it, of course, we're in the normal process, which is to have the interviews with the leading



contenders in this tender process, as is required under the Independent Health Facilities Act, and questions about the management team and quality measures will be asked and answers will be sought.

**Mr Conway:** The minister has said today that the information he gave to this House in a very declaratory fashion yesterday was at the very least incomplete, if not inaccurate. I submit it's both. The answer tendered yesterday to the House from the minister was, I believe, both incomplete and inaccurate.

Now we have Dr Posen, a distinguished physician, according to the minister's own words, telling the press over the last 24 hours that he, Dr Posen, told a senior official in the Ministry of Health three months ago that he, Dr Posen, was aware of the criminal investigations into National Medical Care of Boston. Dr Posen said that not only did he tell the senior official, Mr Donald Walker, at the Ministry of Health in January of this past year, but, quoting Dr Posen, Mr Walker admitted to knowing. Three months before you made your announcement in Ottawa last week, your official told Dr Posen that the department was aware of the criminal investigations into National Medical Care of Boston.

How do you explain that after three months nobody in your department informed you, as the minister, of this very sensitive and significant information?

**Hon Mr Wilson:** Perhaps the question is best answered by explaining the process a little more clearly. Prior to the request for proposal going out, the Kidney Foundation and other renal services experts in the province were brought together to develop the RFP and the evaluation process. Of course, what we're at is the first stage of the evaluation process, in which a point system was assigned to those proponents and proposals that were believed to be able to deliver the stringent quality services demanded by the RFP.

This particular proponent, Dr Posen, became the lead contender for both the Cornwall and Ottawa services. As a result, the normal process in the Independent Health Facilities Act is to sit down now and talk about: "How can you assure quality? You have to sign a quality agreement with the College of Physicians and Surgeons." It's their inspectors who make sure quality is maintained and that sort of thing.

Yes, there has been a slipup in the chain of command, but Mr Walker and the officials—and Mr Walker is not that senior; he's a consultant, which is several layers below the minister's office in the ministry. I think it was an honest mistake. I think they said, "We didn't think to flag it for you, Minister, because we thought we were dealing with a Canadian company and certainly Canadian proponents in this case."

1410

**Mr Conway:** The minister offers bureaucratic baffle-gab, and it won't wash. We now know today that a senior official in your department knew three months ago that a company that was actively engaged in this tender, National Medical Care of Boston, was under not one but several criminal investigations in the United States. We know from Dr Posen that senior officials in your department knew that in January of this year, and you're asking this House to accept your answer that you, as minister,

and your entire ministerial staff didn't hear a thing about that from your department and your officials?

Minister, I've been a minister. I don't believe it. I want to know: What did you know about National Medical Care and when did you know it?

**Hon Mr Wilson:** I am simply asking this House to accept the truth. I have spoken the truth and the truth stands.

**The Speaker (Hon Allan K. McLean):** New question, the member for Renfrew North. A question to the same minister?

**Mr Conway:** I've been around politics long enough to know that when it looks like Richard Nixon and when it sounds like Richard Nixon—

**The Speaker:** Order. New question.

**Mr Conway:** Another question to the same minister.

*Interjections.*

**The Speaker:** Order.

**Mr Conway:** They are very tender, and they should be. This is a government that not only wants to privatize health care; they want to privatize Hydro and Norm Sterling's liquor stores. With this kind of ignorance and incompetence, we'll find out some day that the Las Vegas mob has won the contract to run Normie's liquor stores.

I want to say to the minister that ignorance and incompetence is not going to get you off the hook. I ask you again, are you asking this House to believe that three months after your department was told by Dr Posen that National Medical Care was under a series of criminal investigations in the United States, nobody in your department, nobody on your political staff, breathed a word of that to your ears?

**Hon Mr Wilson:** I wish I could give him more of a story, but I can't. The fact of the matter is, I didn't know.

I don't think the honourable member is suggesting I interfere in a tendering process. This is a sealed process. It's only appropriate for the minister to be involved at this time, after the awarding of the original preferred provider contract. It would be inappropriate for me or my political staff, during the awarding of the contract, to interfere.

Yes, I will tell you that I wasn't aware that a very fair and equitable process was set up in consultation with the Kidney Foundation and other experts to do a point system to rate the tenders as they came in, and there certainly wasn't any political interference there, and yes, I wasn't informed. Again, I think it was an honest mistake from people who felt they were dealing with a Canadian company, and the minister's office was not informed of this being a subsidiary of an American company. There really isn't much more to this.

**Mr Conway:** I think there's a lot more to this. All I know today is that the information you offered to this House yesterday on this subject was both incomplete and inaccurate. I know that. You've already admitted to most of that. That's what I know.

What I also know is that the New York Times, just a few months ago, wrote a series of articles about National Medical Care, and some of these headlines are absolutely breathtaking. "Death and Deficiency in Kidney Treatment" is one headline. Another headline is, "At Big Kidney Chain, Deals for Doctors, Ruin for Rivals." I



can't believe it. If you haven't seen these New York Times articles about the kind of conduct that National Medical Care was involved with, and for which it is under criminal investigation in the United States, then you're even more incompetent and you're even more confused than I wanted to believe at the outset.

Are you telling me that now, eight or 10 months into your job, you've never heard about these American reports about National Medical Care? Is that what you're telling me this afternoon?

**Hon Mr Wilson:** After I became aware of the involvement of this company, or its Canadian subsidiary, last week, I did spend the weekend reading articles, including articles by Thomas Walkom in the Toronto Star, about this company, and I did read the New York Times articles. If that's your question, the answer is yes, I've fully done as much reading as I can on this company.

**Mr Conway:** This is a government all on about privatization. You were all set to ink a deal with National Medical Care of Boston which, according to the New York Times, is up to some of the most despicable behaviour and is well known and well reported around the medical community.

Let me say again, I do not believe you when you ask me and this House to believe that no one in your office told you or no one on your political staff was informed by your officials who were told three months ago that there was trouble with this particular tender. But you can certainly be helpful, Minister. You can do something today.

You indicated yesterday that you were quite prepared, and I'll quote your words, "You"—meaning the opposition—"are very free to check the tender here." Let's just cut to the quick. Minister, will you table in this House in the next day or two the tender that you are about to endorse on behalf of the Ottawa group that involved National Medical Care of Boston, a tender, by the way, which I understand has National Medical Care of Boston all throughout it?

**Hon Mr Wilson:** I would be happy to table that as soon as I'm allowed to by law. The freedom of information office of our ministry informs me that because there's commercial proprietary information in these tenders, that only after a final decision of yea or nay is decided then of course all the information is made public, as required under law, and the member's fully entitled to review the documents at that time.

**The Speaker:** New question, the leader of the third party.

**Mr Bud Wildman (Algoma):** I have a question to the Minister of Health. I'm reading from Hansard, July 15, 1994, about the time these reports were made in the United States. "It's extremely disturbing, to say the least, that this minister"—meaning another individual—"would not be aware of such a serious allegation circulating in his ministry for some time." Further on, "He's simply furthering the coverup of this matter in my view and, I think, the view of all of us on this side of the House."

That's a quote from the member for Leeds-Grenville in which he is acknowledging, as all members of this House are aware, that a minister is ultimately responsible for what is going on in his ministry and for knowing what's

going on in his ministry. At about the same time that those comments were made in this House, there was a report from the American Food and Drug Administration, reported June 1994 in FDA Consumer Report which describes National Medical Care as a chronic violator. They're under investigation for not following approved methods for testing finished products, investigation for device failures. They were under review and evaluation for improper maintenance of master records, improper inspections of critical device components and so on.

Beyond that, it became evident in the press at the time in the United States that the parent company of this company, W.R. Grace and Co, was accused by the federal United States tax officials of tax evasions and payouts of chief executives in the order of \$20 million to cover up sexual harassment allegations.

Does the minister agree with his colleague from Leeds-Grenville that it is the responsibility of a minister to be informed by his staff and to know what is going on with his ministry and therefore he should have known about the allegations about this American company which were widely publicized over a year ago in the United States?

**Hon Mr Wilson:** I believe strongly in the principle of ministerial responsibility, and as I said to the media on a couple of occasions today, I will take responsibility for not having been informed on this issue. I take responsibility for that.

No contract has been signed. A good process, which was the process set up under the Liberal government, followed by your government and now followed by our government, is in place.

I would reiterate to this House that we are dealing with a non-profit Canadian company sponsored by Dr Posen and his nephrologist colleagues in Ottawa, and the employees of this facility are to be Canadians, the doctors who would be there would be Canadians, and of course the patients would be Canadians. If there is responsibility, a breakdown in communication in my ministry, I accept that responsibility.

1420

**Mr Wildman:** Yesterday the minister said, "Where his"—meaning Dr Posen's—"management team was coming from, which I assume is one or two people, no, we did not check that. We were not aware of that."

"Very clearly, the company we were dealing with is a non-profit Canadian company owned by Dr Posen. That is what the tender documents show and we took him on good faith with respect to those documents."

We've talked to Dr Posen and to Ed Berger of National Medical Care. Dr Posen informed us that he had worked closely with the official of the minister's ministry, Donald Walker, in developing the proposal for the management of the dialysis units and Mr Walker was aware of the criminal investigations involving National Medical Care. Mr Berger also said, "Canadian officials were well aware that National Medical Care was the subject of numerous police investigations."

Does the minister agree with his colleague the member for Leeds-Grenville in his comments made in July 1992: "We in this House and the public at large find it difficult to believe. That a civil servant with over 20 years' experience"—referring to another civil servant—"in the



government did not inform the minister, did not inform any other official at a senior level in government simply boggles the mind. It's not acceptable." It certainly is not acceptable.

Can the minister explain why at least before he went to make this public announcement in Ottawa, his senior officials did not inform him of the police investigations in the United States?

**Hon Mr Wilson:** It's the same question I've asked those officials. I have asked them to explain to me when they knew that this was a sensitive issue in terms of the control and management of our health care system, and all I can say is that I don't want to point fingers. They work very hard, and I will take whatever responsibility I have to take for this matter and do so happily and in the terms of good government in the province.

**Mr Wildman:** Again I refer to comments made by the member for Leeds-Grenville in this House. I'll just place to this minister the question that was placed by his colleague: "When did the deputy minister know? Did officials of the minister's office know, and if they did, when?"

If the deputy minister did know, why didn't he inform the minister and why didn't he refer the matter to the investigative unit that was established in the Ministry of Health in 1993 to look into these very types of matters, to find out if there are criminal investigations into companies that deal with the Ministry of Health? Why wasn't that done? When did you know, when did the deputy know, and why wasn't the proper—

**The Speaker:** The question has been asked.

**Hon Mr Wilson:** It's quite a presumption that my deputy minister is a male. My deputy minister is Mrs Margaret Mottershead. She's doing an excellent job and has some 29 years of service to the people of Ontario in public service. I don't know when the deputy minister knew. She's on vacation right now. When she comes back, you're free to give her a call and ask her when she knew, if she knew, because I don't know.

## MUNICIPAL TAXATION

**Mr Tony Silipo (Dovercourt):** I have a question for the Minister of Municipal Affairs. Yesterday, when my colleague from Welland-Thorold asked you a question about the impact of the tax cuts on municipalities, you didn't get a chance to finish your answer. Being the fairminded person I am, I want to give you an opportunity to finish your sentence.

You said yesterday, "The user fees are an excellent way for municipalities"—and then the rest you didn't get a chance to answer. I'd like to ask you to finish that sentence, and to help you out I've put together a couple of options, a couple of possible conclusions to that sentence.

**Interjection:** Pick one of the above.

**Mr Silipo:** You can pick one of the above.

Is it (a) user fees are an excellent way for municipalities to deal with the transfer cuts, (b) user fees are an excellent way for municipalities to raise hidden taxes or (c) user fees are an excellent way for municipalities to kill any potential benefit to consumers from your tax cut? Which one is it?

**Hon Al Leach (Minister of Municipal Affairs and Housing):** It was probably none of the above.

**Mr Silipo:** I could go on with another three or four possibilities, but if it's none of those, would the minister care to finish the sentence on his own? He started to say, "The user fees are an excellent way for municipalities"—could I ask the minister to complete that sentence.

**Hon Mr Leach:** It's a good question. I think user fees are an excellent way for municipalities to consider the options they have before them.

**Mr Silipo:** Let's look at what some of those options are that municipalities have had to not only look at but indeed implement. We've seen over the last few months, and are likely to see more in the next few months, new user fees for health care—the drug plan copayment as well as new hospital fees—as a result of Bill 26; \$13 million in new fees from the Ontario public service as a result of the so-called business plans; and through municipalities, as a result of these actions and others, increases in daily care fees, increased fees for parks and recreation facilities, new library fines, fees for garbage collection, fees for firefighting, transit fare increases—this against the backdrop of what this minister and his Premier have been saying, that there is only one taxpayer.

How can you possibly say, as you've been saying in this House, that you're not responsible for these new user fees, indeed for these hidden taxes? How can you possibly justify them, given everything else your government is saying? If you don't think your tax cuts, which are resulting in these new user fees and property tax hikes, are going to negatively impact consumer spending, then I would say to you what you said to my colleague yesterday, which is that your plan is not only a sham, it's quite hypocritical. How can you say that your tax cuts and your cuts in spending are not forcing municipalities to simply raise taxes through user fees?

**Hon Mr Leach:** I thank the member for the question. I don't think any of the fees the member mentioned are new fees. There are fees that have been charged by various municipalities for years, for decades—garbage fees, fees for skating rinks, fees for recreation facilities. None of those are new fees. I don't know what the member's point is.

1430

## ROAD MAINTENANCE

**Mr Mike Colle (Oakwood):** A question for the Minister of Transportation: When Arthur Ryan, the executive director of the Ontario Road Builders' Association, appeared before the finance committee, he was shocked at the cutbacks that you had made to road maintenance and reconstruction on existing roads. He said very categorically: "Since the election of this government there's been effectively no moneys being spent on the roads in this province, on the highways in this province, and this is unbelievable. It's never been faced with that before."

How could you, as the Minister of Transportation, knowing that the roads in this province were in such bad shape—as confirmed by Mr Ryan, you weren't spending money, as confirmed by the Provincial Auditor. How



could you continue with a program of cutbacks of simple road maintenance and repair? Didn't your officials warn you the roads had to be taken care of?

**Hon Al Palladini (Minister of Transportation):** I certainly want to thank the honourable member for the question. I believe it's a very good question. I don't know where Mr Ryan has received his information. This government at no time has cut any money from the provincial refurbishing budget, so where you're getting those numbers from Mr Ryan, I do not know. But I want to say to the honourable member that this government is committed to spend more money this year refurbishing our provincial highways than any government has spent in the last six years.

**The Speaker (Hon Allan K. McLean):** Supplementary, the member for Cornwall.

**Mr John C. Cleary (Cornwall):** Despite what the minister says on the road maintenance in eastern Ontario, what he says he's been doing about the repairs and everything else that goes along with it, the insurance claims continue to roll in. A few weeks back I gave the minister countless examples of individuals who have sustained personal injury and vehicle damage. I know very well what he's talking about, because one of the potholes just cost me \$350 to repair the undercarriage on my vehicle.

I want to ask the minister: Do you think the \$50-million compensation for the worn-out provincial highways that you are going to transfer back to the municipalities and download on them is sufficient? My constituents and many of the residents all over eastern Ontario want to know, is the government going to pay damages and claims for the damages resulting from maintenance cutbacks on the provincial highways?

**Hon Mr Palladini:** I believe that potholes are not only a provincial problem, but also a municipal problem. But we have been saying all along that highway transfers are going to be done in a very orderly fashion. To answer your question, yes, I believe the \$50 million that we have set aside is sufficient to get us through to that time period when eventually highways will be transferred. They are going to be phased in over a three-year period, and I believe this government is going to act responsibly.

## ECONOMIC DEVELOPMENT

**Mr Tony Martin (Sault Ste Marie):** In the interest of connecting the tax cuts to a reduction in jobs and a negative effect on the economy, my question today is for the Minister of Economic Development, Trade and Tourism.

A reporter in Sault Ste Marie, having done an independent review and report, says in last Thursday's Sault Star that the Tory cuts mean 500 fewer jobs and that the city is \$30 million poorer in provincial funding since the Conservative election win.

Minister, do you have any idea of the impact of this on my community? What do you have to say to the over 500 people in Sault Ste Marie who are losing their jobs, and what do you have to say to the retail sector of my business community re the loss of \$30 million in economic activity in Sault Ste Marie?

**Hon William Saunderson (Minister of Economic Development, Trade and Tourism):** To the member for Sault Ste Marie, I'd like to say that we have got some very good news in the last few weeks about new job creations and I think your community will also benefit from this new job atmosphere in due course. So I would suggest that you go back to your constituency, sir, and remind them that the policies we have in place are going to be creating jobs in the north.

**Mr Martin:** Minister, you and your government are single-handedly throwing my community, and I suggest every other community across this province, into a recession.

In the early 1990s Sault Ste Marie faced some major challenges to its economy, and with some significant contribution and leadership by the Bob Rae government, in fact by Bob Rae himself, Algoma Steel was restructured, St Marys Paper was restructured, the ACR was restructured and Lajambe lumber was restructured. What you're doing is the equivalent of closing St Marys Paper, the ACR and Lajambe put together. In the interest of even creating new jobs, we have attracted one company that's going to create 100 jobs in Sault Ste Marie. You've wiped out about six of them with the decisions you've made so far in your nine months in power.

What are you going to do? Where are the 725,000 jobs that you talked about in your Common Sense Revolution and that you talk about today for Sault Ste Marie? What do I tell the people in Sault Ste Marie re this government's agenda and its plan for them?

**Hon Mr Saunderson:** Let me say to the member for Sault Ste Marie what we are doing. We're going to be doing in northern Ontario what's happening in southern Ontario and in all of Ontario: We are creating jobs. Let me tell you some of the jobs that are being created.

Last week Magna announced that it will be creating 1,000 new jobs in St Thomas. Dana will be creating 100 new jobs in southwestern Ontario. This is a big list of jobs which I could go on and on with. I will not take the time but I'd be happy to share this with the member.

I'd like him to tell us what his policy is for jobs. We haven't heard a thing from him all during this study, and from you over there either. We're creating jobs and we're creating lots of opportunities for people in this province.

I would like to hear something constructive from the opposition benches. We're sick and tired of a bunch of Chicken Littles running around yelling out that the sky is falling down on Ontario. The sky is not falling on Ontario. We're creating jobs.

**Mr Martin:** I want to register my dissatisfaction with that answer. Are you suggesting that the people of Sault Ste Marie move to St Thomas? Is that what you're saying? I will be asking for a late show from this minister today.

## VOLUNTEERS

**Mr John Hastings (Etobicoke-Rexdale):** My question is to the Minister of Community and Social Services. Recently on the public affairs program Focus Ontario, the York South by-election Liberal candidate entertained viewers with the statement that social assistance recipi-



ents cannot work or participate in welfare activities in their community while they are in receipt of social assistance. My question to you is, why does the Liberal candidate in this by-election utter such silly and misinformed statements?

**Hon David H. Tsubouchi (Minister of Community and Social Services):** I can't possibly give a justification of why the Liberal candidate in York South is saying this. Just to clarify it, I think he indicated it was illegal for social assistance recipients to do volunteer work while they're on welfare. It is pretty important for us to set the record straight. There's nothing in the regulations that forbids people on welfare from taking part in volunteer work. As long as they take care of their job search requirement, they're certainly free to volunteer.

I must admit I'm quite shocked at Mr Kennedy, who is the candidate there. Given his background and his apparent knowledge of the volunteer field from working with the food bank, I would have suspected he might have had some idea of what he was talking about. I can confirm for you that social assistance recipients can do volunteer work.

1440

**Mr Hastings:** In regard to this sort of irresponsible misinformation, what can your ministry do to undertake to counteract such illogical statements and what specific assurance will you give social assistance recipients that they can participate in voluntary activities in their community while receiving social assistance?

**Hon Mr Tsubouchi:** I suppose the Liberal candidate in York South is learning now that, since he's a political candidate, he's going to have to start to be a little more accountable for what he says, and accurate. He has a responsibility as well to make sure he is speaking accurately. Clearly what our government is going to be doing is trying to assist people to break the cycle of dependency, to give themselves sufficiency, and that is where workfare comes in.

**The Speaker (Hon Allan K. McLean):** New question.

**Hon Mr Tsubouchi:** I'm not quite finished yet. I just want to end with the words of someone—not myself. I just want to quote this. It says, "One of the things I like about it is often you hear people saying"—

**The Speaker:** Order. The question's been answered.

#### SCHOOL BREAKFAST PROGRAM

**Mrs Sandra Pupatello (Windsor-Sandwich):** My question is for the Premier of Ontario. On September 6 you were delivered a box of cereal as a constant reminder that you owe Ontario a provincial breakfast program. I'd like to know the status of that program today.

**Hon Michael D. Harris (Premier):** I appreciate the question. The member will know that school nutrition and making sure that every child is not hungry during the school day has long been a priority of mine. I think since the member has been elected and come to this Legislature, it has been a priority of hers as well.

I'm pleased to report there are more programs under way now than there have been in the past. The member has, I believe, talked with my parliamentary assistant, Julia Munro, who has been canvassing all of the existing

programs to see how we can coordinate them and assist in a better way, both from government coordination and also involving the private sector.

I want to congratulate the member for being part of that exercise and that team of people. I know that when, in the not-very-distant future, a significant new program thrust is announced, inviting all members to participate, the member will want to be one of the first to be part of the team.

**Mrs Pupatello:** In September, the Premier instructed me to go about and be constructive, as some ministers have indicated today they would like us to be. On February 2, your office was delivered the package of research that we had done. Three months after you indicated your PA would work on this, your PA, in November, had yet to attend a school to visit such a program. It was delivered to you and several of your ministers, three ministers, all of whom are related to this program.

Today what I'd like you to do is confirm stable funding for the Ontario Social Development Council, because it's critical. Will you guarantee leadership from your office, will you guarantee that the package you received, which is the research you have been waiting for—will you stand today and tell us you will guarantee that funding and that leadership from your office?

**Hon Mr Harris:** As I said, we will be announcing a significant shift in direction that we think will help many more people, involve many more people, and that will be forthcoming very shortly.

I want to assure the member that my parliamentary assistant has visited numerous programs, has visited and talked with a number of groups involved and very much values your presentation and the research you have done and contributed in a very positive way to this program. We very much appreciate that. I want to say that, just in case you want something for campaign literature in the year 2000 or so. Would that other members of your party and your caucus did the same; it would make our job easier.

#### FRENCH-LANGUAGE EDUCATION

**Mr Gilles Bisson (Cochrane South):** I too have a question to the Premier. A while back the member for Frontenac-Addington attended a meeting sponsored by the Reform Party, I would say a meeting to speak about national unities. At that particular—

*Interjections.*

**Mr Bisson:** You might think this is not serious, but I do.

We'll try it again. The member for Frontenac-Addington attended a meeting put on by the Reform Party about a month ago, a meeting sponsored by the Reform Party on national unity. At this particular meeting the member for Frontenac-Addington made a speech, from which I have quotes here, in regard to the construction of a French-language high school in Kingston. I would like to read it to you. It says:

"In a time when there is definite need to foster understanding between the French and English speaking populations, as well as others, perhaps further division or



separation of the population and our cultures should be re-evaluated. The word 'apartheid' may bring thoughts of extreme events in South Africa, but continuing to segregate segments of our communities, for whatever reasons, has the potential to illustrate literal meanings of apartheid which is happening right here at home."

Mr Premier, these are extremely inflammatory comments to the francophone community, and my question to you is: Do you agree with these comments and was the member announcing new policies on behalf of your government?

**Hon Michael D. Harris (Premier):** No and no.

**Mr Bisson:** The question then that needs to be asked is simply this: If you do not agree with the comments made by the member for Frontenac-Addington, and you indeed support the policy that has been in place in this province for many years, supported by all three parties in this House, in regard to French-language education, what are you going to do about members of your caucus who are out there saying such comments as the member for Frontenac-Addington did? What are you going to do about it and what are you going to do about the member for Frontenac-Addington?

**Hon Mr Harris:** I think I appreciate the member's sensitivity to the whole issue; I hope I do. Let me say that on the issue of separation, of separate schools or immersion within schools, there is a great deal of controversy among a lot of people. I can recall francophones in my own community of Nipissing when the issue was raised of whether a separate super-French school would be desirable. This was when a previous administration was in government. It was pretty evenly split, and eventually a vote of francophones decided no, that was too much separation. So I think that's a valid discussion that takes place a lot in the communities and among francophones.

However, I would say to the member—and I appreciate his colleagues' sensitivity as well—that the word "apartheid" in no way is an appropriate word that ought to be used to apply to that, and as such I have talked to the member and wrote him a letter on April 8 indicating that.

#### EDUCATION DIRECTORS' SALARIES

**Mr Marcel Beaubien (Lambton):** My question is to the Minister of Education and Training, and since he's had an easy week this week, I figured we might as well keep him sharp.

I am sure that members of the Legislature support the efforts of senior education administrators. However, I find it disturbing to learn that there are 11 directors of education in Ontario whose salaries are over \$100,000 and yet they are responsible to boards with fewer than 4,000 students—some of them as low as 700 students.

Do you feel there is any reason for these officials to make six-figure salaries when they are responsible for fewer students than many high school principals are?

**Hon John Snobelen (Minister of Education and Training):** I want to thank the member for Lambton for an excellent question. I believe it's addressing an issue that's important in the minds of taxpayers and parents across the province.

The sunshine law has certainly allowed for a lot of public discourse on this subject, and I think it's an important one. There are directors in very small boards across the province who are paid over \$100,000 a year, and that has been an issue that's been brought forward to my office.

1450

There's also a gap between the salaries of directors in some small boards and the directors of larger boards in a very close geographic area, which is somewhat curious. Also, if we look at some of the administrative costs of other school systems, this is extraordinary.

So the member understands, I want to make very clear that the province does not hire directors or set the salaries; that's a function of the local school boards. But I believe the public expects the provincial government and the school boards to work hard to make sure that as much as is possible our administrative costs are as low as they can be so that we direct the largest amount of public funding into the classroom, where it makes a difference. We'll be doing everything we can to encourage school boards to do just that.

**Mr Beaubien:** Minister, I realize that the salary scale is the responsibility of the local boards, but to your knowledge, are you aware that any of these boards have attempted to make any savings by reviewing the salaries of these administrators?

**Hon Mr Snobelen:** No, I am not aware of any board that has currently taken on that issue as a way of finding savings outside of the classroom. There have been different responses to the public demand that we find those savings by different boards, and I can assure the member that this government and this minister will do everything we can to encourage our boards to make sure they look at every possible opportunity to find savings, tax-dollar savings, outside of the classroom.

#### EDUCATION FINANCING

**Mr Frank Miclash (Kenora):** My question is to the Minister of Education and Training as well. Minister, in January 1995, in the edition of the Conservative Party document entitled *A Voice for the North*, your leader stated, and this is your campaign document of 1995: "Parents are...telling us they want a renewed emphasis on basic skills and knowledge in the classroom. They feel that the province's Ministry of Education is out of touch and remote from northern concerns."

Well, Minister, nothing has changed. Your government has given little or no consideration to the unique concerns facing northern students, parents and educators. We have here detailed and specific commitments to northern residents during the last campaign. What do you have to say to the 50 students from Lakewood school who are so concerned about the cuts you are making to the education system that they decided to visit my constituency office yesterday morning to demand that their voices be heard?

As well, students from Thomas Aquinas separate school in my riding marched from their school to their board office to demand an explanation for the fact that all but five of their teachers were declared redundant. That's



26 of 31 staff members in a high school of 401 students declared redundant. What do you say to them, Minister?

Minister, your schedule has you coming to north-western Ontario this upcoming weekend. I ask you if you would rearrange your schedule to listen to the concerns of these students in Kenora.

**Hon John Snobelen (Minister of Education and Training):** I want to thank the honourable member for the question. I think the commitment of this government is well known. I appreciate the honourable member opposite bringing up again the fact that our government let the people know and made commitments to the people of Ontario a full year before the last election so that people were well aware of our agenda for change and well aware of our commitment to the schools in the province of Ontario.

We believe that schools are there to instill the skills, knowledge, attitudes and behaviours that are necessary for young people to pursue their life goals. I think that's consistent with children really across this province, young people across this province, that they need those skills and that knowledge.

I accept, certainly, the honourable member's notion that being in the schools is very important, that talking to the students and teachers is very important. In fact, I've spend about 25% of my time in the schools over the last six months, and I intend to continue to do that and to visit communities in the north and to examine the conditions there.

**Mr Micalash:** Minister, it states very clearly in your election document that you and your party agree with northern parents and educators that the Ministry of Education is out of touch with northerners' concerns. Here in southern Ontario, your backbenchers refer to it as being "out of whack."

Northerners are frustrated with the lack of consultation from your ministry. I am willing to help you keep your commitment to consult. You indicated that you wanted to consult with northern residents and northern students. Again I ask you, will you meet with the students who have many concerns about their classroom education in northern Ontario?

**Hon Mr Snobelen:** I will be in northern Ontario at the end of this week—I've been in northern Ontario several times over the last few months, during the term of this government—and I will see what my schedule allows. I don't know; I haven't looked at my schedule for the end of the week. But you can be assured that I will be in schools, I will be in schools in the north, and I will continue a dialogue with teachers and with students and with parents because I think that's important.

I want to remind the honourable member opposite that this government has taken actions to make sure we understand the problems particularly of small boards, and they tend to be northern, and that we've taken action to help those boards find savings outside of the classroom. We continue to listen to the people of Ontario, to listen to the boards, to listen to the teachers, to listen to the parents and to listen to the students, because we believe that's where we'll find the nucleus of a better school system in Ontario.

## WORKPLACE HEALTH AND SAFETY

**Mr David Christopherson (Hamilton Centre):** My question is to the Minister of Labour. We continue to get two messages from you and the government regarding health and safety in Ontario: One is your words; the other is your actions.

On Monday, you gave us more words when we discussed the day of mourning. You said, and I quote from Hansard, "As well, it is a day for the government, for labour and for management to reaffirm our shared commitment to the prevention of illness and injury." Further, you say, "I would encourage everyone in this House and outside of this House to continue to work cooperatively in order that we can achieve our common goal of preventing injuries and illness."

Those are the words, but your actions are: abolishing the Workplace Health and Safety Agency where workers and business had an equal say in training of health and safety representatives; your actions around WCB where you scrapped the structure that gave workers and business an equal say in the running of the WCB; and now we hear you're planning to cut funding to the Workers' Health and Safety Centre.

Will you begin today to put some integrity and honesty behind your words and commit that you will not eliminate the Workers' Health and Safety Centre?

**Hon Elizabeth Witmer (Minister of Labour):** We have been diligently pursuing our objective of preventing workplace injury and illness. We have put in place a vision. We are putting in place strategic directions. We have introduced programs that are going to be able to demonstrate for the first time in the history of this province whether or not we are achieving our objective of reducing illness and injury.

You know full well that the Provincial Auditor took a look at the Workplace Health and Safety Agency and indicated to us that despite the fact that they had spent \$83 million, there was absolutely no evidence that there had ever been an impact on any reduction in injury and illness.

I can assure you, we have committed funding to the workers' safety centre in the same way we have extended it to the other health and safety organizations. They all have their funding. They have all received the commitment from our government. No agency is being treated any differently than any other.

**Mr Christopherson:** The fact is that your actions have already placed a heavier burden on worker participation in providing workplace health and safety training, your actions in the issues I've already mentioned, the gutting of your own ministry, in fact \$40 million coming out of your ministry and a further \$8 million coming out of the health and safety budget of your ministry.

I ask you very directly, to put some meaning and honesty behind your words, because all we get are words, will you recognize that the Workers' Health and Safety Centre, in addition to being one of the most efficient and effective organizations providing training, is a key component of workers playing an equal role in health and safety? Will you recognize that today by guaranteeing that you will not eliminate the centre? Don't talk about



treating it the same as others. You've already treated workers in an unequal fashion. Please give us a commitment that the Workers' Health and Safety Centre will not be eliminated.

**Hon Mrs Witmer:** If you were to take a look at the cooperative relationship that has developed in the construction industry between labour and management, the commitment they have made to health and safety is an example we need to duplicate in all the other sectors throughout the province. That is the type of cooperation we are looking for. We want to—

**Mr Christopherson:** You're not even talking to the labour movement.

**Hon Mrs Witmer:** I met today with construction. I am meeting next week with Mr Wilson. I met last week with Mr Hynd from the Steelworkers. We are meeting on an ongoing basis.

1500

## AGRICULTURAL COLLEGES

**Mr Jack Carroll (Chatham-Kent):** My question today is for the Minister of Agriculture, Food and Rural Affairs. I wonder if the minister could dispel some rumours I have heard again and again, rumours that concern many in the farming community.

There has been much said about the future of agricultural colleges, including Ridgetown college in Kent county, and there is concern about the possibility of closures. I'm certain that I don't have to remind the minister of OMAFRA of the importance of education, training and research in one of the most important sectors of Ontario's economy, the agrifood section.

Could the minister please tell me and the other members of this House what fate awaits the agricultural colleges?

**Hon Noble Villeneuve (Minister of Agriculture, Food and Rural Affairs, minister responsible for francophone affairs):** I can assure my colleague, firstly, that we have consulted widely with the agricultural community and that indeed the future of the colleges at Ridgetown, Kemptville and Alfred is very much assured, that they will continue to provide the leadership, the education and the agricultural research they have become famous for. As we speak today, negotiations with the University of Guelph, a world-recognized leader in agricultural education and research, are ongoing to ensure that the future of these colleges is going to continue as we have been used to in the province of Ontario.

**Mr Carroll:** I'm glad to hear that the minister realizes the importance of agricultural research in the agrifood sector and I'm glad to hear his commitment to our college in Ridgetown. I know the minister is aware of the promise we made to agriculture during the 1995 election campaign to maintain the agricultural programs and to squeeze the waste of duplication from the bureaucracy to ensure that we could maintain systems for our farmers.

Considering how during the past 10 years the two parties opposite overspent and mismanaged the economy of this province so badly that we now have a seemingly insurmountable \$100 billion worth of debt, I would like to know if the minister could explain to me, was the

status quo a possibility as it related to our agricultural colleges?

**Hon Mr Villeneuve:** As I mentioned in my opening answer to the honourable member, indeed agriculture wants to be part of the solution and not part of the problem.

In the short period of time since we've been elected—in the book we promised to reduce government spending; we are in the process of doing so—accomplished: The agricultural labour relations; we've fixed that. The farm property tax rebate remains in place. The ethanol projects have been supported, something the Liberal Party didn't always agree with; that's been done. Eighty-five per cent of the safety nets; that's been done. The Sewell report has been addressed; it's done. Waste management has been addressed; it's done. Provincial wetlands policy: We've looked at that and we fixed it. We initiated a managed forest tax rebate under my colleague the Minister of Natural Resources, Northern Development and Mines. This all happened in less than a year.

## MOTIONS

### STANDING COMMITTEE ON SOCIAL DEVELOPMENT

**Hon Elizabeth Witmer (Minister of Labour):** I move that the standing committee on social development be authorized to meet on the morning of Thursday May 2 for the purpose of clause-by-clause consideration of Bill 30, An Act to establish the Education Quality and Accountability Office and to amend the Education Act with respect to the Assessment of Academic Achievement and that the committee also be authorized to sit on the morning of Wednesday May 8 for the purpose of public hearings, and on Wednesday May 29 for the purpose of clause-by-clause consideration of Bill 34, An Act to amend the Education Act.

**The Speaker (Hon Allan K. McLean):** Is it the pleasure of the House that the motion carry? Carried.

## PETITIONS

### NORTH YORK BRANSON HOSPITAL

**Mr Monte Kwinter (Wilson Heights):** I have a petition to the Legislative Assembly of Ontario.

"Whereas the final report of the Metropolitan Toronto District Health Council hospital restructuring committee has recommended that North York Branson Hospital merge with York-Finch hospital; and

"Whereas this recommendation will remove emergency and inpatient services currently provided by North York Branson Hospital, which will seriously jeopardize medical care and the quality of health for the growing population which the hospital serves, many being elderly people who in numerous cases require treatment for life-threatening medical conditions;

"We petition the Legislative Assembly of Ontario to reject the recommendation contained within the final report of the Metropolitan Toronto District Health Council hospital restructuring committee as it pertains to



North York Branson Hospital, so that it retains, at minimum, emergency and inpatient services."

I've affixed my signature.

#### OPP DETACHMENT

**Mr Gilles Pouliot (Lake Nipigon):** I trust that this most important petition will find the good office of the table. It's on good bond. More importantly, it's addressed to the Legislative Assembly of Ontario and signed by close to 900 concerned citizens in the riding of Lake Nipigon. It reads as follows:

"Whereas the Ontario Provincial Police are reorganizing their operations across the province; and

"Whereas the Ontario Provincial Police have stated that this reorganization is mostly being done to meet financial targets; and

"Whereas the Schreiber OPP detachment is under review and is at risk for closure to the public on a daily basis; and

"Whereas this office is situated in rural Ontario and closure on a daily basis will be detrimental to the residents of our community;

"We"—all 900 of them—"the following undersigned citizens in Ontario beg leave to petition the Parliament of Ontario as follows:

"Not to relocate civilian clerical staff at the Schreiber OPP detachment."

I have affixed my name and I support the petition.

#### TAX REDUCTION

**Mr Bill Grimmett (Muskoka-Georgian Bay):** I have a petition which has been forwarded to me by my constituents and which I'd like to file. It's signed by approximately 20 of my constituents and it concerns tax cuts.

#### FAMILY SUPPORT PLAN

**Mr Rick Bartolucci (Sudbury):** To the Legislative Assembly of Ontario:

"Whereas we believe that the family support plan is a viable and necessary service provided by the government of Ontario, we, the undersigned, hereby petition the Legislative Assembly of Ontario as follows:

"That the proposed centralization of the family support plan will have a negative impact on the children who are supported under this plan and should be cancelled."

I have signed my name, as I agree to it.

1510

#### RENT REGULATION

**Mr Gilles Bisson (Cochrane South):** I have a petition from concerned citizens in the province of Ontario in regard to rent control, and it reads as follows:

"To the Legislative Assembly of Ontario:

"Whereas Mike Harris's Conservative government of Ontario is planning to destroy the present system of rent control;

"Whereas Mike Harris and the Conservative Party made no mention of scrapping rent control during the election campaign of 1995 or in the Common Sense Revolution;

"Whereas a number of Conservative candidates in ridings with high tenant populations"—can you believe that?—"campaigns during the 1995 election on a platform of protecting the current rent control system;

"Whereas, although all renters will suffer, seniors and others on fixed incomes will suffer particular hardship if rent controls are abolished;

"Therefore we, the undersigned, call upon the Legislature of Ontario to stop this attack on the 3.5 million tenants of this province and preserve our system of rent control."

**Mr Mario Sergio (Yorkview):** I have a petition addressed to the Legislative Assembly of Ontario.

"Whereas the Rent Control Act protects Ontario's 3.3 million tenants and allows for security and stability in their homes and communities; and

"Whereas lifting rent control in Ontario would leave tenants with uncontrollable rent increases and financial instability; and

"Whereas the Progressive Conservative government is considering changes to the Landlord and Tenant Act favouring easier and faster evictions by landlords;

"We, the undersigned tenants of 35 Shoreham Drive in North York, petition the Legislative Assembly of Ontario to save rent control."

I too share the concern of these tenants, residents of North York, and I will affix my signature to that.

**Mr Bisson:** I have another petition, this time from the good people of St Thomas in regard to their concerns about the scrapping of rent control.

"Whereas security of tenure and the right to remain in our homes is a basic need of all humans and where uncontrolled rent increases force many tenants from their homes for both economic and other reasons, and as the Minister of Municipal Affairs and Housing and the Premier of Ontario have both expressed publicly their desire to abolish rent control;

"We, the undersigned, petition the Legislative Assembly to protect the security of tenure of Ontario tenants by ensuring that rent control remains in effect in this province."

I have signed that petition.

#### HEALTH CARE FUNDING

**Mr Dwight Duncan (Windsor-Walkerville):** "To the Legislative Assembly of Ontario:

"Whereas the Common Sense Revolution states that a Conservative government will not cut health care; and

"Whereas during the 1995 election campaign, the Conservatives clearly promised to defend the health care system by protecting ministry funding, stating in a campaign backgrounder, 'There will be no cuts to health care funding by a Harris government,' and calling this their first and most important commitment; and

"Whereas the Conservative government has already cut \$1.3 billion from the budget of the Ministry of Health when on November 29, 1995, the finance minister announced a series of spending cuts designed to reduce the deficit; and

"Whereas the \$1.3 billion in funding has gone directly to reduce the deficit and therefore cannot be reallocated within the health care system; and



"Whereas this government is considering introducing user fees to the Ontario drug benefit program; and

"Whereas there have been suggestions that hospitals will face a reduction in funding from this government when it cuts its support to all transfer partners in the coming years; and

"Whereas according to the media reports of the premiers' conference in St John's, the Premier of Ontario 'wouldn't rule out user fees'; and

"Whereas the recent actions taken by this government contradict election promises and have confused a concerned public still coping with the negative impact of the previous NDP government's mismanagement of the Ministry of Health;

"Therefore, we, the undersigned, call on the Minister of Health to restore the \$1.3 billion that was cut on November 29, 1995, in order to maintain the promise made by this government to protect health care funding and not cut health care, to reaffirm this government's commitment to no new user fees and to ensure that the health care budget will stand at \$17.4 billion for every day of the life of this government."

I affix my signature along with more than 20,000 others, my fellow citizens, who have signed this petition.

#### ONTARIO HOUSING CORP

**Mr David Christopherson (Hamilton Centre):** I have further petitions and letters from Gwen Lee, Donna Bentley-Ward and Rose MacGowan regarding the unacceptable selling of Ontario Housing Corp stock.

"A petition to the Legislative Assembly of Ontario:

"Whereas the Ontario Realty Corp was directed to develop a plan to sell the more than 84,000 units owned by the Ontario Housing Corp; and

"Whereas the cut, slash and burn policies of the Progressive Conservative Party have forced seniors, families and social assistance recipients to rely more than ever on rent-geared-to-income public housing in order to maintain a decent quality of life; and

"Whereas the sale of OHC units would impose undue hardship on hundreds of thousands of people across Ontario and in particular in Hamilton-Wentworth; and

"Whereas the administration of rent-geared-to-income OHC properties by our local housing authority of Hamilton-Wentworth is conducted in a more responsible and cost-effective manner than the proposed privatization shelter allowance concept,

"Therefore, we, the undersigned representatives of the three area tenant advisory committees in Hamilton-Wentworth, petition the Legislative Assembly to ensure that the Minister of Municipal Affairs and Housing address the concerns and answer the questions of the hundreds of signators of the accompanying letters and we request consultation with OHC tenants beyond Metro Toronto regarding the proposed sale of their homes."

I affix my signature in support of this petition.

#### COLLEGE OF TEACHERS

**Mr Doug Galt (Northumberland):** A petition to the Ontario Legislature:

"Whereas the public secondary teachers of Ontario have taken a workplace democracy vote in accordance with Bill 7 and have rejected the proposed College of Teachers by a 94.8% vote;

"We, the undersigned, urge the provincial assembly to instruct the government to withdraw Bill 31, the Ontario College of Teachers Act, 1995."

#### EDUCATION FINANCING

**Ms Annamarie Castrilli (Downsview):** I have the following petition, signed by a number of individuals:

"To the Parliament of Ontario:

"Whereas the government of Ontario has announced its intention to reduce provincial grants to primary and secondary education by 10%, colleges by 13% and universities by more than 15% in fiscal 1996-97; and

"This reduction in provincial funding will cause increased class sizes at all levels of education, massive increases in college and university tuition fees and decreased quality of education because of fewer program and course offerings at all levels of education and reductions of teachers, staff, library resources and services; and

"This funding reduction will decrease accessibility to our colleges and universities for the children of working-class and middle-class Ontarians; and

"Education is essential to a civilized society and a productive economy,

"We, the undersigned, petition this Parliament to reverse the decisions made by the present government as to the funding reductions in primary, secondary and post-secondary education announced in a statement by Finance Minister Mr Ernie Eves, QC, MPP, on November 29, 1995; and

"That this Parliament examine through public hearings all aspects of the post-secondary education system in the province of Ontario; and

"That no college or university tuition fee increases or funding reductions be permitted until this study is completed and its recommendations are considered by this Parliament; and

"Finally, that this Parliament declare, by means of resolution, that education is common sense."

#### ST JOSEPH'S HOSPITAL

**Mr David Christopherson (Hamilton Centre):** I have a petition to the Minister of Health and the Hamilton-Wentworth District Health Council:

"Whereas the Hamilton-Wentworth Health Action Task Force, as part of their report, has recommended the closure of St Joseph's Hospital in Hamilton; and

"Whereas it is recognized the health care system should be made as efficient as possible; and

"Whereas the quality of health care service in our community should not be sacrificed in the name of efficiency; and

"Whereas the Mike Harris government promised to protect the quality of health care in Ontario; and

"Whereas we, the undersigned, believe that maintaining the presence of St Joseph's Hospital in downtown Hamilton is a vital component of our health care system,



"Therefore be it resolved that the Minister of Health and the Hamilton-Wentworth District Health Council ensure the continuance of St Joseph's Hospital at its present site."

I continue to support these petitions.

### PRESCRIPTION DRUGS

**Mr Tony Ruprecht (Parkdale):** These residents petition the Minister of Health and the assembly of Ontario:

"Whereas the Minister of Health will begin to charge seniors and social assistance recipients a \$2 user fee for each prescription filled on June 1; and

"Whereas health care experts have asserted that user fees for drugs and other items could jeopardize the health of individuals who cannot afford to pay for their medications; and

"Whereas Ontario's ex-psychiatric populace relies heavily on prescription drugs to remain stable and mental health care providers and the general public are scared of the outcome if these patients cannot afford to buy their medication because of the \$2 dispensing fee, when it is normal policy to only prescribe them two or three days of medication at a time to prevent potential misuse or overdosing; and

"Whereas the perceived savings to health care from the \$2 copayment fee will not compensate for suffering and misery caused by this user fee and will not even cover the costs of extra emergency services, nor repeated hospital services. The \$2 copayment fee will consequently not lead to cost savings but will rather increase in the case of expensive health care services;

"We, the undersigned Ontario residents, strongly urge the government of Ontario to repeal this user fee plan before it takes effect on June 1, 1996, because of the potential dramatic increase in emergency and police services, and the suffering and misery of human lives—especially psychiatric outpatients and those who depend on medication for their daily survival."

I've affixed my signature to this document.

1520

### WORKERS' COMPENSATION

**Mr David Christopherson (Hamilton Centre):** I have a petition to the Legislative Assembly of Ontario.

"We, the undersigned, oppose your government's plan to dismantle the workers' compensation system, including reducing benefits, excluding claims for repetitive strain injuries, muscle injuries, strains, sprains, stress, harassment and most occupational disease, eliminating pension supplements, handing over control of our claims to our employers for the first four to six weeks after injury, privatizing WCB to large insurance companies, integrating sick benefits into WCB, eliminating or restricting the Workers' Compensation Appeals Tribunal (WCAT) including eliminating worker representation on the board and eliminating the bipartite WCB board of directors.

"Therefore we, the undersigned, demand a safe workplace, compensation if we are injured, no reduction in benefits, improved re-employment and vocational reha-

bilitation, an independent appeals structure with worker representation and that the WCAT be left intact and that the WCB bipartite board of directors be reinstated."

I affix my signature also.

### FAMILY SUPPORT PLAN

**Mr Michael Gravelle (Port Arthur):** Thousands of people across the province are rising up against the Attorney General's clear intention to close the regional offices of the family support plan, and the people in northwestern Ontario are no different. I have a petition to the Legislative Assembly of Ontario.

"Whereas we believe that the family support plan is a viable and necessary service provided by the government in Ontario;

"We, the undersigned, hereby petition the Legislative Assembly of Ontario as follows:

"That the proposed centralization of the family support plan will have a negative impact on the children who are supported under this program and should be cancelled."

I've signed my name.

### REPORTS BY COMMITTEES

#### STANDING COMMITTEE ON GOVERNMENT AGENCIES

Mr Laughren from the standing committee on government agencies presented the committee's eighth report.

**The Speaker (Hon Allan K. McLean):** Pursuant to standing order 106(g)(11), the report is deemed to be adopted by the House.

#### STANDING COMMITTEE ON REGULATIONS AND PRIVATE BILLS

Mr Barrett from the standing committee on regulations and private bills presented the following report and moved its adoption:

Your committee begs to report the following bills without amendment:

Bill Pr45, An Act respecting Anglo Canada General Insurance Company

Bill Pr60, An Act respecting the City of Brantford.

**The Speaker (Hon Allan K. McLean):** Shall the report be received and adopted? Agreed.

#### ONTARIO HIGHWAY TRANSPORT BOARD AND PUBLIC VEHICLES AMENDMENT ACT, 1996

#### LOI DE 1996 MODIFIANT LA LOI SUR LA COMMISSION DES TRANSPORTS ROUTIERS DE L'ONTARIO ET LA LOI SUR LES VÉHICULES DE TRANSPORT EN COMMUN

Deferred vote on the motion for second reading of Bill 39, An Act to amend the Ontario Highway Transport Board Act and the Public Vehicles Act and to make consequential changes to certain other Acts / Projet de loi 39, Loi modifiant la Loi sur la Commission des transports routiers de l'Ontario et la Loi sur les véhicules



de transport en commun et apportant des modifications corrélatives à certaines autres lois.

**The Speaker (Hon Allan K. McLean):** I bring to the attention of the House that there was a deferred vote requested on second reading of Bill 39.

It'll be a five-minute bell.

*The bells rang from 1525 to 1530.*

**The Speaker:** Mr Palladini moves second reading of Bill 39. All those in favour will please rise one at a time.

#### Ayes

|                    |                       |                     |
|--------------------|-----------------------|---------------------|
| Arnott, Ted        | Harnick, Charles      | Ross, Lillian       |
| Baird, John R.     | Harris, Michael D.    | Runciman, Bob       |
| Barrett, Toby      | Hastings, John        | Sampson, Rob        |
| Bassett, Isabel    | Hudak, Tim            | Saunderson, William |
| Beaubien, Marcel   | Johns, Helen          | Shea, Derwyn        |
| Brown, Jim         | Johnson, Bert         | Skarica, Toni       |
| Carroll, Jack      | Johnson, David        | Smith, Bruce        |
| Chudleigh, Ted     | Jordan, Leo           | Snobelen, John      |
| Clement, Tony      | Leach, Al             | Spina, Joseph       |
| Cunningham, Dianne | Leadston, Gary L.     | Sterling, Norman W. |
| Danford, Harry     | Marland, Margaret     | Stockwell, Chris    |
| Doyle, Ed          | Martiniuk, Gerry      | Tilson, David       |
| Ecker, Janet       | Maves, Bart           | Tsubouchi, David H. |
| Elliott, Brenda    | Munro, Julia          | Turnbull, David     |
| Fisher, Barbara    | Mushinski, Marilyn    | Vankoughnet, Bill   |
| Ford, Douglas B.   | Newman, Dan           | Villeneuve, Noble   |
| Froese, Tom        | O'Toole, John         | Wettlaufer, Wayne   |
| Galt, Doug         | Ouellette, Jerry J.   | Wilson, Jim         |
| Gilchrist, Steve   | Palladini, Al         | Witmer, Elizabeth   |
| Grimmett, Bill     | Parker, John L.       | Wood, Bob           |
| Guzzo, Garry J.    | Preston, Peter        | Young, Terence H.   |
| Hardeman, Ernie    | Rollins, E.J. Douglas |                     |

**The Speaker:** All those opposed will please rise one at a time.

#### Nays

|                       |                      |                   |
|-----------------------|----------------------|-------------------|
| Bartolucci, Rick      | Curling, Alvin       | McGuinty, Dalton  |
| Bisson, Gilles        | Duncan, Dwight       | Morin, Gilles E.  |
| Bradley, James J.     | Gerretsen, John      | Phillips, Gerry   |
| Brown, Michael A.     | Grandmaitre, Bernard | Pouliot, Gilles   |
| Castrilli, Annamarie  | Gravelle, Michael    | Pupatello, Sandra |
| Christopherson, David | Hoy, Pat             | Ramsay, David     |
| Churley, Marilyn      | Kormos, Peter        | Ruprecht, Tony    |
| Cleary, John C.       | Kwinter, Monte       | Sergio, Mario     |
| Colle, Mike           | Lalonde, Jean-Marc   | Silipo, Tony      |
| Conway, Sean G.       | Laughren, Floyd      | Ramsay, Bud       |
| Cooke, David S.       | Marchese, Rosario    | Wood, Len         |
| Cordiano, Joseph      | Martel, Shelley      |                   |
| Crozier, Bruce        | Martin, Tony         |                   |

**Clerk of the House (Mr Claude L. DesRosiers):** The ayes are 65; the nays are 37.

**The Speaker:** I declare the motion carried. Shall the bill be ordered for third reading?

**Hon Norman W. Sterling (Minister of Consumer and Commercial Relations):** Resources committee.

**The Speaker:** Referred to the resources committee.

### ORDERS OF THE DAY

#### TORONTO ISLANDS AMENDMENT ACT, 1996

#### LOI DE 1996 MODIFIANT LA LOI SUR LES ÎLES DE TORONTO

Mr Leach moved second reading of Bill 38, An Act to amend the Toronto Islands Residential Community

Stewardship Act, 1993 / Projet de loi 38, Loi modifiant la Loi de 1993 sur l'administration de la zone résidentielle des îles de Toronto.

**Hon Al Leach (Minister of Municipal Affairs and Housing):** I'm pleased to provide further details about the amendments we are proposing to Bill 61, the Toronto Islands Residential Community Stewardship Act, now known as Bill 38.

This legislation, which was passed in 1993 by the previous government, has been a concern to us from the very outset. The legislation was described to this House by the previous minister as being an innovative and fair solution which resolved the problems associated for many years with the Toronto Islands community. In particular, the previous minister told this House that the solutions contained within the legislation came at no cost to the province, the municipalities or the taxpayers. To say the least, and I'll be very kind, that was a very optimistic assessment on his part and rather a shortsighted one.

In our opinion, the legislation passed by the NDP amounted to nothing more than a sweetheart deal which gave the islanders considerations available to no other citizens in Ontario. Most distressing of all, it is a sweetheart deal which would have cost the taxpayers of Ontario millions of dollars.

Last summer, after our government took office, we ordered an independent audit of the financial status of the islands community under Bill 61. One of the problems pointed out by the auditor was that Bill 61 required the implementation of an extremely complex and non-traditional land trust and leasing arrangement. The legislation required the creation of a trust known as the Toronto Islands Residential Community Trust Corp. The trust was to sell land leases to the residents of 250 houses on the islands. The trust was also to sell up to 110 additional land leases. Eighty of these additional land leases were to be sold to a cooperative housing corporation known as the Flying Toad Co-op, which would have constructed a non-profit housing development on the islands. Thirty of the additional leases were to be sold to select individuals.

The independent audit of this arrangement confirmed our worst suspicions. For starters, the audit revealed that the trust was almost \$1 million in debt. Specifically, the trust spent \$916,000 more than it received, including \$426,000 in legal and consulting fees. The trust had only managed to sell 113 of the 250 leases at the time of the audit. The trust's operating costs continued to increase, and because it refused to charge any kind of annual levy to the audit, its debt continued to mount. At the same time, the former government gave the Flying Toad Co-op special considerations under the non-profit housing program. This allowed the co-op to exceed the standard guidelines for construction of a non-profit project. In the end, it would have cost the taxpayers of Ontario approximately \$200,000 to construct each unit of the Flying Toad Co-op. The ongoing operating subsidies would have been equally exorbitant.

Last year, on July 25, our government stepped in. We cancelled the dreaded Flying Toad Co-op, along with 385 other non-profit projects where final commitment to build had not been given. The cancellation of the Flying Toad Co-op and the private housing saved the taxpayers



\$984,000 in infrastructure costs, plus subsidies of \$1.5 million annually.

Our next step was to introduce legislation designed to put the Toronto Islands community on a financially sound basis over the long term, and that is the purpose of the amendments we are proposing to Bill 61 under Bill 38.

First and foremost, we must clear off the debt which has been built up by the island trust. To achieve this, we have turned to the recommendations of the auditor, who suggested that infill lots be developed and sold to enable the trust to break even without any further provincial funding and without incurring substantial infrastructure costs.

This legislation will allow for the development of up to 12 lots within the existing community using the existing infrastructure. The trust will use the proceeds from the sale of these lots to pay off its debts. The legislation requires that the trust start a new purchasers' list which will be administered through a public process, and lots will be offered for sale to people on that new list.

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In addition, the trust will no longer be allowed to accumulate serious debt in the future. This legislation requires the trust to raise sufficient funds to carry out its daily operations and ongoing operations by charging regular fees to the island residents. Under the new legislation, the province will retain the responsibility for appointing members to the board of directors of the trust. We want to ensure the board is financially accountable and acts in the best interests of the entire community.

The amendments we are proposing also eliminate the ongoing financial obligations of the province to the island community. Bill 61 required that the taxpayers of Ontario provide \$12 million in mortgage guarantees to help the island residents purchase their leases and bring their homes up to fire code standards. That is quite a sweetheart deal, no matter how you look at it. The island residents are perfectly capable of obtaining conventional mortgages in the same manner as any other citizen of Ontario.

On top of that, Bill 61 exempted the island community from the conditions of the Planning Act. Again, that's a sweetheart deal, if you can get it. The island community will now be subject to the same provisions of the Planning Act and the environmental act as every other community in Ontario.

Finally, it is clear that the island community needs many of the same services as any other residential neighbourhood. We believe the municipal level of government is the most appropriate to deliver these services. For this reason, the responsibility for the island trust and the residential community will be transferred to the city of Toronto.

The government is acting in response to the audit of the Toronto Islands Residential Community Stewardship Act. The changes we are proposing will eliminate the current and future financial liability of the province. Our legislation will restore the financial accountability of the Toronto Islands trust. Most of all, it will bring some common sense to the entire issue.

**The Deputy Speaker (Mr Bert Johnson):** Questions or comments? Further debate?

**Mr Mike Colle (Oakwood):** There are a number of questions that aren't quite clear in this bill. When this bill, in its former life, came before this House as Bill 61, the members of the opposition at that time, being the government party, were very concerned about the so-called 99-year lease homeowners on the island were given. The big concern was that this 99-year lease was essentially a giveaway of public land at a great bargain price. I guess the call at that time from members on the opposite side was that this was a sweetheart deal where you would get lakefront property for \$1 a month. I think the honourable member for Etobicoke West at that time really was emphatic about it when he said, in November 1992:

"I'll say it 50 times. I'm going to keep saying it in committee, I'm going to say it in this House, because it's one of the most unbelievable affronts to the taxpayers in this province that you can suggest, considering you won both polls on the island, that you can pay these people off for 100 years, to give them rent on a house in a park on the island for a buck a day for 100 years."

I don't think this legislation changes that. In essence, that 99-year lease is still in place for those existing homes on the island. I don't know if I'm missing something in the legislation, why that hasn't been taken out, because that seemed to be the main objection from the government side when it was in opposition.

If you look at the history of the island, those of us who live in Metro look upon the island as a public, open park. It is a very easy getaway for people, and even though it's very close to the downtown core, with a short ferry ride you can almost be out in the country. A lot of people can't afford to buy cottages or to get away on trips, but with a short ferry ride it's almost like being in another part of the province that's away from all the hustle and bustle.

The island is a great respite. It's got all kinds of fish; you can fish there. You can swim. It's got—it had, I should say—still one of the best beaches in all this part of the GTA at Hanlan's Point. It's sandy, with very clear water, despite the fact that there's been some pollution in recent years. It was a great swimming spot, and it was a very remote part of the island.

The island's got three parts. You can take one of three ferries. You can take it to Hanlan's Point, which is a bit more remote; you can go to Centre Island where they have the activities for children, where they have more intensive use of the parkland; or you can go to Ward's Island. That's where the housing is, on Ward's Island.

This island is a great, affordable getaway for people on limited income. People come there to play tennis. There are even people who own boats who dock there. There were all kinds of opportunities, and there still are, for people who wanted to bring their families for a picnic, who wanted to play baseball, who just wanted to be on the waterfront, to be involved in it.

The sensitivity—myself, being in Metro those years—we were very concerned that Metro was losing part of what we considered to be a public park to the housing. It's not that people were against providing housing. Many



of us on Metro council at the time were very concerned about giving up what little parkland we have left in the downtown core. It was the principle of giving that up and allowing it really for private use.

Those of you who have parks in your constituencies will know how sensitive people are to giving that up. That's why over the years it was such a contentious issue. Metropolitan council over the years did not want to give up a square inch of that park because they knew they had a mandate to provide regional park spaces. The islands are a regional park. If you go to an island on a Sunday, Saturday or Friday, people come from all over the GTA, from Oshawa to Burlington, to that regional park. They take the ferry boat over and they like experiencing the island experience.

I know there was always controversy about the city of Toronto's position and Metro's position. The city of Toronto was essentially a lot more favourable to the housing perspective on it. Metro, on the other hand, had a mandate to ensure that this park remained a public park. That's why Metro opposed the extension of housing and building on the island.

This is one of the major inconsistencies of this bill, in that in principle it continues the 99-year lease. They still are going to be allowed to live on the island and those people on the island—again, it is not trying to condemn the individuals who live there, but the principle of having the right to have a home on the Toronto Islands.

One of the things that was very irritating to people at Metro and people in the city was that some of the people who had homes on the island were found to have homes also in the city. They had two residences. Some of them had homes even in Rosedale, in Moore Park. I know there was someone who had a home in a very wealthy area, to the south of where I lived, in Wychwood Park; they also had a home. It wasn't as if it was their single residence. The ordinary people who couldn't afford cottages or couldn't afford to live in Rosedale were quite upset that the government was subsidizing people in Rosedale who had a second home in a public park.

That's where the opposition to the housing and the lease arrangement came from. In principle, people said, "Why is it just that a certain group of people have the right to have an island home and I do not have that right?"

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As you know, there was a lot of confusion over who had the leases: Were they original owners, were they squatters, were they opportunists? I'm sure among the islanders there were some very bona fide people, but we know through the records and through the intervention of the members on the government side that a lot of those people were not original islanders. They came in when they saw an opportunity, and then when the government basically subsidized this opportunity with this 99-year lease for \$1 a month or whatever it is, it really upset people. That's what this bill does not address.

I'd be very interested to see what the members who were here in the last House have to say about that continuation of the 99-year lease. Do they still think that's a good idea? In my reading of the bill, it perpetuates that so-called sweetheart deal. I'm really trying to

understand where the minister is coming from when he's saying he's ending the sweetheart deal. Is it still in here or is it not? Is the 99-year lease still in this bill or is it not apparent that this is in there?

Another concern is in terms of a cost—I don't see any reference to it in the bill—that is, in terms of the provision of ferry service. As you know, in order to provide for transportation to the island, you have to maintain a regular ferry service. My understanding of it is that Metro still has to provide for the ferry service, and I wonder whether the province is going to subsidize Metro or whether the city of Toronto is going to take over the cost of providing that ferry service, especially during the winter months. There's no reference to who is going to pay for that ferry service. I hope the minister can make that clear, or the member for High Park-Swansea can make that clear, whether Metro is still going to pick up the tab for that or whether it's the city or the province.

The main opposition we have to this bill is on the principle that there seems to be in the public perception an advantage given to people who are now living on the island in terms of being able to reside on the island, and that the provision of financial support by the government to maintain their housing on the island is contrary to the opportunities other people may have. Certainly all of you here, and everyone, would love to have an opportunity to live on the island or own property on the island. It is a very attractive place. The only trouble, is how do ordinary citizens get that same opportunity, to buy property, to have those leases, to maintain that residence on the island? That is the reason I think most members of our party that I've talked to do not support this bill.

Despite the protestations that were brought to this House when the NDP was in power—in terms of the NDP government, at least they were very straightforward on it. They supported the island community. They were very forthright about it, unequivocal about it, and this is them fulfilling that mandate they had in the last government, so they're being consistent.

What I wonder about is, is the sweetheart deal for the lease arrangements still maintained or has that been changed, and does the government now in power feel it is no longer a sweetheart deal, this 99-year lease for \$1 a month or whatever it is? I would like that clarified. At this point, as I said in my opening remarks, this government is essentially not clear on what happened to the sweetheart deal. Has it been eradicated? We know the co-op has been taken out, but what about the 99-year lease provision? Has that been taken out? That's the main question I have for the members opposite.

**The Deputy Speaker:** Questions and comments?

**Hon Mr Leach:** I want to thank the member for his comments on our legislation. I just wanted to address the last issue he raised on the sweetheart deal. I fully agree that this is one of the world's greatest sweetheart deals. However, the residents of the island, in good faith, under the laws of the land of the day, have taken out mortgages, committed themselves to expenditures, and it would be extremely damaging to the 250 homeowners on the islands and the 600 people who live there if we were to change direction at this point in time. If it wasn't for that, I can assure you we would just scrap this. But



they've taken out mortgages to rebuild the houses, to bring them up to building code standards. Being a reasonable and caring government, this is the most appropriate thing to do to ensure the residents don't go under any further concern.

**Mr Bernard Grandmaître (Ottawa East):** I think the member for Oakwood gave us a clear picture of what was happening on the island. But, Mr Minister, I do have some questions. Now that the Flying Toad Co-op is cancelled and you're responsible for the debts, I'd like to know the amount the government of Ontario is responsible for. How many dollars are you responsible for?

Also, now that you're allowing 12 lots to be built on, I want to make sure these lots are not located in the floodplain, because you will recall that when the previous government gave the co-op people the go-ahead to build 110 units, most of them were built in the floodplain. Also, the government was responsible for building a retaining wall to accommodate the co-op. I was dead against building such a retaining wall.

Another question: What about the building code? You say that the building code and the Planning Act will be respected under this. Can you assure us that the existing homes on the island have been inspected and that they meet all building code and Planning Act requirements?

Also, how much do you think these 12 lots will be sold for? You called this a sweetheart deal, and it was a sweetheart deal. Now I'm asking you, what will these 12 lots be going for?

**Mr David S. Cooke (Windsor-Riverside):** This will be my only contribution to this debate, but I did listen very carefully once again to a position being put forward by the Liberal caucus. I don't know, maybe it's just the fact that I'm in my mid-40s now and I'm easily confused, but I don't understand where the Liberals are coming forward on this again. When they were in opposition in the early 1980s, they went after the Tory government time and time again to save the island community. Then they were in power from 1985 to 1990, and Mr Peterson said, "We will save the island community," brought in a piece of legislation which was a transitional piece of legislation and said, "We're going to come up with a permanent solution."

Anybody who knows there's going to be a permanent solution over on the island knows that community has to be added to to maintain it and to strengthen it, to have the level of investment, the numbers of people living on that island. The member from Ottawa whatever knows that. But what the Liberals are doing once again is trying to have it both ways: "We favour the island community"; "We don't favour the island community."

We've got Hansards for people on all positions on all issues in the province of Ontario. I must say on this one the Conservatives suffer from the same disease, because Larry Grossman promised that the island community was going to be saved and put forward a plan to save the island community. Then, when we came up with a plan to save the island community, the Conservatives railed against it and said it was terrible. I remember the criticism from the members from Etobicoke whatever and Mississauga whatever; I remember those criticisms very

clearly. At least now we will see some stability in the island community. I recognize that. I recognize that the minister was forced into that by what I think was very solid, good policy by our government.

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**The Deputy Speaker:** The member's time has expired. The Chair recognizes the member for Mississauga South.

**Mrs Margaret Marland (Mississauga South):** Thank you, Mr Speaker, and I'm certainly grateful that you do recognize Mississauga South. I'm disappointed that the third party House leader said "Mississauga whatever."

**Mr Cooke:** I had to do some quick thinking, and I can't do that any more.

**Mrs Marland:** You certainly would recall the number of times that I stood as the housing critic for the Conservatives in this House and, to use your words, railed against the NDP government on the issue about what was taking place on the Toronto Islands. The biggest injustice to building anywhere in this province was the legislation that was passed by the Bob Rae socialist government as it pertained to Toronto Islands. They exempted every single statute on the books in this province that every other developer in Ontario has to abide by—

**Mr James J. Bradley (St Catharines):** Even the environmental ones.

**Mrs Marland:** Especially the environmental ones, as the former Minister of Environment for the Liberals has stated. The member for St Catharines is absolutely right.

When they were going to build this co-op housing project on Toronto Islands, they said they could build anywhere, even if it cost \$5 million to build, and a retaining wall because they were building in the flood lands. They were building on wetlands. No one else in the province, thank goodness, is allowed to build on wetlands, but that government was behind a project that was going to permit that. That government also was behind the island trust having this wonderful lottery where anybody could put their name in, including the lawyer for the island trust itself. Ironically, he and his family's name was drawn out of the hat as being eligible for one of those homes.

Thank goodness this government has the fortitude to correct a major, gross error made by the previous government that was a lottery for life and benefited so few. It's an island resource for Ontarians, not just Metro Toronto.

**The Deputy Speaker:** The member for Oakwood has two minutes if he requires.

**Mr Colle:** The government is very quiet, but the biggest complaint it had was this 99-year lease for \$1 a day to have these waterfront properties. They are silent on that now, because despite the fact they were so easy to criticize the NDP on this part of it, now they have basically said, "The NDP were right, we were wrong and we are now partners in a sweetheart deal." The government now has changed its tune. They now know the sweetheart deal can't be broken because of political reasons, so now not only has Larry Grossman made the deal, not only has David Cooke; it's now Al Leach, the Minister of Municipal Affairs. There's now the third dealmaker who's involved in a sweetheart deal which continues—

**Mr Cooke:** What about David Peterson?



**Mr Colle:** You can put anybody you want on it, but this deal for the islands continues under this bill, and that is the one major flaw with this bill.

The member for Etobicoke West said that if you can get a deal like this, it's like stealing: "They'd call that a thief in Metropolitan Toronto. If you can get a place to live for \$30,000 for 100 years, you've just fleeced somebody. That's a steal. You've just ripped them off." You are continuing the ripoff if you really believed what you said in opposition before, and that is the major crow in people's throats, that this is a steal and people are continuing to be ripped off and this bill continues the ripoff at the peril of the majority of taxpayers who believe this is a public park that should be used for everyone.

**The Deputy Speaker:** Further debate?

**Mr Rosario Marchese (Fort York):** I'm very pleased to stand and speak to Bill 38. I was going to begin by giving a brief chronology of the island and the islanders from 1867, and I will do that, but I want to address some of the remarks made by the representative of the Liberal Party, the member for Oakwood, who talks about his own position in Metro and their concerns around Metro losing a public park, that it's a regional park and all the poor folks outside of that park won't be able to have access to it because there are all these islanders spreading and they're going to take control of the park.

That's nonsense. No one was about to lose that park. We were not going to lose that park. Five per cent of that island was controlled by the islanders; 95% of the rest of that island was used for park space by the rest of the city, by Metro, the GTA, and any other Ontarian who came down to the island. There was lots of space. There was always a lot of space on the island for any poor or wealthy individual who wanted to go there on Monday, on Tuesday, on Thursday, on Saturday and on Sunday, any day of the week.

So for this member to talk about what Metro was concerned about in terms of losing the park space, it's completely wrong and false; misleading, I would add. Because 95% of that island was used as a public space for any resident or any constituent, elector, who obviously was a resident here in Ontario.

Secondly, Liberals conveniently forget—

**Hon Mr Leach:** Like you do.

**Mr Marchese:** No, not quite, not quite. Our principles are much more rooted, I would argue, that the principles of the Liberal Party, if at times they have them.

Peterson, their former Premier, wrote a letter to the islanders saying, "Don't worry, I will fix it for you." He was the Premier of the province and the leader of the Liberal Party and he gave a commitment on paper and sent it to the islanders saying, "I'm going fix this long-standing problem."

**Mr Derwyn Shea (High Park-Swansea):** Who said that?

**Mr Marchese:** Mr Peterson, the former Premier of this province, who was a big-time Liberal, said he would fix it. All of a sudden—

*Interjections.*

**The Deputy Speaker:** I want that microphone off, please. I'm a patient man. Let me correct that; I was a patient man. There is too much heckling. I would ask you

to, if you want to carry on a conversation, please leave. If not, I would like, and I'm sure every member would like, to hear the speaker speak.

**Mr Marchese:** Thank you, Mr Speaker. I must admit, though, there wasn't much heckling that I could hear. It wasn't so bad today, actually. Usually, it's a bit different, but today wasn't so bad.

When the Speaker stands, the microphone usually disconnects the member, so I want to repeat what I had said in the event that the microphone was not on, and just to remind the Liberals that it was Peterson who gave that commitment. He was a Liberal and he was a Premier of this province. They now conveniently forget that promise.

By the way, the former Premier of this province never maintained the commitment that he gave to the islanders to fix the problem that they've had there for decades. So not only did he say he was going to fix it, but he didn't keep his promise. Of course, I would add that Mr Grossman, a fellow Conservative of theirs on the other side, as a former cabinet minister of the Conservative government, said that they were going to fix it as well and they didn't. Every government promised they would fix it and they did not do that.

So I wanted to make those remarks, because they're fresh in my mind, about what other people have said in the past as a way of reminding them when they make their comments that it's good to remember what was promised by your leaders in the past.

From 1867 to 1956, houses were built on the island and they were leased from the city of Toronto. In 1956, the land title was transferred to Metro. In 1975, the Metro government terminated land leases and initiated evictions against strong opposition.

**Mr Chris Stockwell (Etobicoke West):** What year?

**Mr Marchese:** This is 1975, Chris.

Metro, you must remember, for the people across who are interested in this, was always hostile to the islanders, never liked the islanders being there, and of course wanted to bulldoze them all out of the island as fast as they possibly good. They did their job.

**Mr Colle:** It was Paul Godfrey, a good Tory.

**Mr Marchese:** A good Tory indeed, Mr Godfrey. Lots of Tories on Metro council, in fact. They didn't like the islanders being there. They wanted to evict them. They wanted to bulldoze them all out and they did a good job, but in 1981, the same Conservative—it was a Conservative government at the time, much like Conservative Metro members at the time—based on a report of the Swadron commission, said as he attempted to try to solve the issue that the community would be allowed to remain until 2005, Metro given title to land and houses, city to lease land and houses from Metro and the city to collect land and housing rents from islanders.

The point was that when we got into government in 1990, we decided for the first time to restore peace on the island, based on a promise that we made, which we kept—unlike previous leaders of other parties we were able to keep our promise on that issue—and we solved it.

**Mr Stockwell:** You didn't say anything about co-ops.  
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**Mr Marchese:** One of the members across said we didn't say anything about co-ops, but that's not why he opposed it. It's not because we decided to put more



housing on the island that some members on the other side said: "That's going too far. Because of the co-ops, we're opposed." You, Mr Stockwell, wanted to bulldoze them much before governments thought about building infill housing or co-op housing over there, so it's not because of the co-ops that you suddenly decided, "We're against this."

**Mr Stockwell:** Yes, that's true.

**Mr Marchese:** It is true.

In 1990 we kept our promise and began, in my view, to restore peace. Many of us on this side have argued that having islanders makes for a safe community. It makes it safer for people who go to the island. We believe that having islanders on the island has been very good for those who visit, for those who go there for whatever reason, and that has not been a detraction at all to anyone wanting to visit the island. In fact, we believe it was an important supplement, an important addition to have. Contrary to other views, it did not take much land away from those who wanted to visit, because it only constituted 5% and added to the safety of the overall community that visited there regularly or from time to time.

If a government wants to solve a particular problem, sometimes that requires some money, that's true. As we developed our own structure to solve this, through the proclamation of Bill 61 in 1993 we gave title of land and houses, which was transferred to the province; terminated all leases, in particular the lease between Metro and the city; and cancelled all debts in respect of rents, with no compensation other than that set out in the act.

We set out a trust, which was a unique thing to have done, we believe: The province leases the land to the trust, the title of the houses to be vested in residents, 250 land leases to be sold to existing residents following vesting and the trust to offer to sell up to 110 additional land leases, 80 of them to be cooperatives and 30 would have been sold as infill housing to individuals. The bulk of the proceeds from the 250 existing and 80 co-op housing leases was to be directed to the city in terms of covering their costs to Metro over many years.

We believed that in doing this through our bill, we had kept a promise that no other government was able to keep or wanted to keep. We believed and believe still that it restored peace on the island and restored peace between the islanders and the city, the islanders and Metro, and the islanders and the province. There was to be no more fighting after this. We believed it was a practical solution and it was a fair solution, but it's never fair to those individuals who are opposed to it. If you are opposed to having residents on the island, it's never a fair solution. Nothing a government ever does, therefore, is fair or reasonable.

People like me thought it was always important to have a residential community on the island. I never harboured any jealousies about the fact that some of those people have been there for 50 years or 70 years, with their children, of course. I never thought that to be a problem, but for many people, obviously, it's a problem where they argue these are fine cottages for people to have.

In my view, if people have lived there for a long time, they're entitled to something, they're entitled to title to

the houses and it should be vested in the residents. That's what we did with Bill 61. We corrected a long-standing problem that had never been corrected by anybody else.

Bill 38 adds some changes which are problematic, and I'll begin by speaking to three of the four points that are part of this bill.

One of the points changes the composition of the board of the trust. In the previous legislation, Bill 61, we allowed for two thirds of the trust members to be islanders. We believed in democratic control, we believed in community control, as opposed to what this government appears to be doing now: "What we need is autocracy. What we need is draconian rule to make sure that what we want as a government is done in the way we want it."

In Bill 26 you had draconian measures, which you would rather not be reminded of, where you wanted to force doctors—in fact, they would not have gotten their billing numbers unless the doctors went where you sent them and in a specific region. How much more autocratic and draconian could you be?

But what one observes from this government is this: that when you disagree with something it's draconian. Employment equity, in your view, was draconian, so it had to go. The Advocacy Act, in your view, was draconian, so it had to go. When the government doesn't like something, it imposes its will on communities or residents, and when it says that in its view something is wrong, "We will call it draconian because it imposes on us as government and on individuals a great burden, and we've got to get rid of it." It is interesting how they can contradict themselves continually.

In this particular bill what they're doing is saying: "From now on the board will be controlled by us, the government. You will no longer have two thirds of the trust coming from the islanders." That, in my view, is draconian. That is taking away the democratic ability of the residents to manage their affairs. You're saying, "We're not going to allow you to run your affairs." You're taking that away. That is draconian. It's contrary to your view of getting governments off the backs of communities.

How can you argue from time to time that that's what you want to do—less government, less imposition of governments on people—but in this particular instance where it suits you, you say: "That's okay, because in this instance we want autocratic control. We don't want any democracy on the island, we want to be able to govern the island and the islanders in the way we see fit." That, I suggest to you, is contradictory. It contradicts what seems your basic philosophical approach to things, that is, that there should be less government, less imposition of governments on people.

We are concerned about the makeup of the trust. I'm concerned. The residents are concerned. I talked to the minister about this, and I know he believes it will be all right and that nothing untoward will happen, that the residents shouldn't worry. That's between the minister and I having that kind of discussion, but to be frank, I'm not entirely sure it's going to be as easy as it seems. The islanders certainly are very worried about the composition of this new trust board and in fact what they are going to do.



We're not clear yet who will be part of that board. We're not sure whether there are going to be any members from the city, or simply staff members from municipal affairs or other people from who knows where. We're not clear on that. At some point we will have clarity, I'm sure, but at the moment the islanders are very worried about not being able to run their affairs as they see fit. That's a worrisome thing, and I wanted to put that on the record. I think it's contrary to democratic principles, but how do you argue with a government where they have 82 members and they have decided autocratically, as they do with so many other things, that this is the way it's going to be? That's the first point.

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The second point has to do with the trust being allowed to sell 12 vacant lot leases for the purposes of building infill housing. This is down from the original 30 that we had permitted, and it's down further from what commitment they had gotten from the minister, because the minister had a discussion with the islanders. The islanders had believed they would have 20 infill houses, and when it went through cabinet obviously cabinet in its wisdom decided, "No, 20 infill lots is not good; they will only have 11 infill lots."

I argue, what was the problem with that? What was the problem with having 20 infill lots, remembering that the existing community occupies 5% of the park? How do 20 infill lots affect the overall territory and the makeup of the island? Not by much. But 20 infill houses would have gone a long way to, not just paying off their debts to the city of Toronto largely, but it would have allowed, had the islanders been able to build the extra nine houses, enough money to be able to support those on the island who are not well-to-do, because contrary to the view of many, they are not all wealthy, as some of you have claimed in the past. Yes, some are well-to-do, like any other community anywhere in Toronto or Metro or Ontario. You will have the range of people who are well-to-do, and some in the middle range and some not so well-to-do. So the point of having the additional infill houses was that they would be able to assist members who are not very well-off.

So there are two things: First, there was a promise and that promise was not kept. I don't blame the minister; he may have meant well. But obviously cabinet decided to overrule that decision the minister made. But the islanders went back home after their meeting thinking, "We've got 20 infill houses," and when the announcement came there weren't 20; there were 11. So the promise was broken.

**Hon Mr Leach:** Actually, 12.

**Mr Marchese:** It was 20.

**Hon Mr Leach:** Up to 12.

**Mr Marchese:** No, it was 20. The minister and the residents had a meeting and they had an understanding with you that it was 20 infill lots.

**Hon Mr Leach:** Now it's up to 12.

**Mr Marchese:** Now it's up to 12. I've said that. The point is that the selling of those 12 lots allows them to pay off their debts to the city, and that's important. I understand that. I'm saying the other component was that it would have been very helpful to be able to assist the

other poor members of the island. Now, that's in keeping with what this government is doing as well. They don't want to be—

**Mr Stockwell:** What's the point?

**Mr Marchese:** They don't want to be in the housing business, Chris. Your government doesn't want to be in the housing business, so, "We don't want to create houses." That's the point, right?

I obviously disagree with you and all the other government members about that because I have always believed that it's the government's responsibility to take care of many of the citizens who are not so well-off, who are not so fortunate. I believe it's a responsibility of government to assist people because housing is a basic right. Security of housing is a basic right. And not every individual in this society has security of a home. Not everybody in this dog-eat-dog society is going to do well. We know that. I'm sure all of you know that as well. So whose responsibility is it to take care of those in society who for a variety of reasons are not economically well off?

The government on the other side said: "It's not ours. It's not the responsibility of the government. Somebody else should do it, but not us." I say to you, if you are not doing it as a government, who is going to do it? Who will do it?

They argued, "The private sector will do that." But the private sector isn't building homes. They build homes if it's profitable to them. If it's not profitable, they will not build. We know that. When it was profitable in the early years when we had a booming economy, they were building, and they built lots of condominiums. Then we had a crash. People stopped building condominiums and they stopped building houses because they weren't making enough money.

So this reformist, very ultraconservative government says, "It is not the business of government to build housing for people." What do you do with those who don't have the means? Where do they go?

Part of what the NDP argued in the past is that when you build non-profit housing and cooperative housing, you're building with a view in mind that you are building housing as communities where you're able to fit into those communities people with serious illness such as AIDS, people with disabilities in the same building, people with a range of incomes. We think that's how you build homes and that's how you build communities. But this government obviously has no view on the matter, has no philosophy on this matter, except, "Let each of those individual citizens out there take care of themselves." That's your basic principle, and we profoundly disagree with that.

So we make two points. The 12 lots was a broken promise, and I'm saddened about that, but obviously the minister couldn't control that, because when you get into cabinet, cabinet has a way of changing promises that have been made or understandings that have been made between people and ministers.

There is a third point. The islanders will no longer have priority over the purchase of vacant land leases, and the trust will also now have to begin the process of compiling its waiting list all over again. They have done this process of advertising in 30 community newspapers



across Toronto before. It was a long process; it was a fair process. This government is undoing that and is telling them, "You've got to begin again."

It is also undoing something that we had done, and that was to deal with people who were called protected occupants.

**Mr John Hastings (Etobicoke-Rexdale):** Yes, your NDP cronies.

**Mr Marchese:** There aren't just NDP cronies on the island, the member from nowhere up there. There are, on the island, as Mr Stockwell knows, a number of Conservative folks who are your friends—colleagues. So it's quite a mix of people not just in income but also political affiliation. For you to simply say they are NDP cronies is completely inaccurate, from the member for Etobicoke-Rexdale.

You have taken away the protected occupancy from a number of people, and there weren't that many. There may have been up to seven people who were protected, people who probably had been on the island for many, many years, some of whom had applied through the commissioner to be able to have their land title vested to them and lost it in their appeal with the commissioner, and as they lost that particular legal matter, they had protected occupancy, which meant they were first in line to be able to get a house or to be able to lease land, one of the infill houses as well. That is gone. Those people have no protected occupancy now. And so I say to myself, why would you do that? Why would you, on that particular matter, on those protected occupants, say: "No, they will not be protected. We will undo that"? Why would you do that? Why the mean-spiritedness around that particular issue? I'm not quite clear.

1630

I can understand that you would want to create a new waiting list for your own political purposes, to make your own point, whatever that is—I can understand that—but why eliminate the protected occupancy status of those other individuals? I'm not quite sure. I think it's mean-spirited to have done that.

Chris, you're wincing. Is that clear?

**Mr Stockwell:** I've got a sore belly.

**Mr Marchese:** All right.

I think it was a problem that you caused. I know that you don't care, but I'm just making the point that you just didn't have to, for the seven protected occupants there or so, say to them: "No, you will not be protected. You've got to go through another waiting list. We're going to create another waiting list, even though we know you took six or eight months to go through a long process of advertising in 30 community newspapers to create your list. That's okay. It's not good. We're going to have to do that again."

**Mr Stockwell:** How long have they been there?

**Mr Marchese:** Many of them for many years.

**Mr Stockwell:** How about some of them?

**Mr Marchese:** They're up to seven, there may be less than seven, and some of them have been there for many years. Let's say seven years, five years. The point is that because they have been there for a while, we had created a category that says these people would be protected, and you eliminated it.

Another point: The trust is being given broader powers to levy fees. That may not be such a problem. I think the trust should have the power to be able to do that, but when you do that in the context of having a new trust board appointed by the government, we're very worried. In fact, the residents are very worried about what that levy will be. The minister might say, "No, it's not a big deal. It's not a problem. Don't worry," but residents worry about what governments do. They have a right to be worried, given that they have changed the composition of the board. I'm worried about it and I know, from talking to many of the residents, they are worried as well.

Just to recap on some issues, and then I will complete my remarks on Bill 38: First, the Liberals promised through Mr Peterson, the former Premier, a Liberal, to solve this problem that islanders have had for many years. He failed them. He didn't keep his promise.

Mr Grossman, a cabinet minister with the former Conservative government at the time, promised. They didn't deliver.

We came in 1990 and we delivered on our promise. We believe the solution we came up with is a fair one and a reasonable one. We believe it restored peace to the islanders and their fight with all the different levels of government: infighting between Metro and the city, fighting between the islanders and all the various levels of government, particularly the Metro government, but as well with other provincial governments. We finally did something that brought an end to all of that.

Bill 38 obviously will complicate it a great deal. I am hopeful, however, in my discussion with the minister, that when he says this new board will not harm the islanders in any way other than just simply being a watchdog for a short while before they transfer this power to the city—if I'm to believe that, then I will not worry about much of the damage that could be caused to the islanders. But, until then, I am very concerned about this trust that has broader powers to levy fees and I will worry about the composition of a board that's not controlled democratically by the islanders but by the minister and some of the staff in his ministry, and that worries me.

I will be opposing Bill 38, as presented, because I think it will cause unforeseen damage. We hope, however, in spite of the remarks by the minister, that it will not be as bad as I fear and as bad as some of the islanders fear.

**The Deputy Speaker:** Comments and questions?

**Mrs Marland:** I can understand where the member for Fort York is coming from because the Toronto Islands residents are his constituents, and I also understand, he being a member of the New Democratic Party philosophically, where he would be coming from. But what is really being lost in this debate, especially on the part of the NDP, the third party in this House, is what the Toronto Islands are. They're not an enclave for members of the New Democratic Party. The New Democratic Party and its supporters do not own the Toronto Islands; neither does any other political party. Nor are they a preserve, in my opinion, of people who live in downtown Toronto. The Toronto Islands are a wonderful resource for this whole province.

The fact that they exist in the first place hasn't been achieved, thank goodness, by any government. Successive



governments have not made very wise decisions on how the property ownership should be managed, whether we should be providing heavily subsidized transportation service all year round in the form of the ferries to the island, a lot of related issues that are required services because people live there in the first place.

I realize there's a very extensive history for some of the families who live there, but the point is that there are not a lot of property owners any more who have lived there for a very long time. Perhaps if it had been possible, the best decision would have been to return all the island property to parkland for all the people who can have access to it.

**Mr Mario Sergio (Yorkview):** To comment briefly on the remarks by the member for Fort York, I don't blame the NDP for having done what they did. I can see that the member is still keeping that particular mentality, to assist the tenants, if you will—no owners—of the island. He explicitly mentioned that in his presentation, especially when he addressed his remarks to democracy on the island, that security of the home is a right, and that when the NDP arrived, they came in and restored peace on the island.

I have to remind my colleague and the rest of the members of the House at what price they restored peace on the island. And security of the home goes for everybody in Ontario, not solely those enjoying living on the island, cottage type, at the expense of the rest of the people of Ontario. As for democracy on the island, democracy reigns for every home in Ontario, not solely those very few who enjoy the atmospheric conditions of an island during the summertime, the pleasures of a cottage during the summertime and many other amenities at the expense of the rest of the people of Ontario.

I am going to have, hopefully, some time to address this issue further, but I just wanted to address these particular issues the member for Fort York mentioned, as I think they relate heavily to the decision they made.

**Mr Stockwell:** I just want to get a couple of things on the record. I've had a very long and interesting past with respect to this issue dating back to 1982 as a member of Metropolitan Toronto council, and before that I took a keen interest in how the island issue was dealt with.

Let's dispense with a couple of myths. First, this piece of property was sold by the city of Toronto to Metropolitan Toronto in 1956. In 1956, Metropolitan Toronto issued eviction notices to well over 600 people who lived on the island, different parts of it—Ward's, Algonquin etc. Of the over 600 people, all but 250 moved out, knowing full well that this was a park, treated as a park. The 250 who stayed from 1956 on fought successively with governments very successfully.

Today, the member stands there and suggests that the people he's defending now to stay on the island are people who have been there for a long time. I will say categorically: But a handful are original islanders. But a handful.

1640

To make the suggestion that some aren't johnny-come-latelys is unfair. They are johnny-come-latelys. They've seen a beautiful little operation, they've seen a cottage on the island, they've taken full advantage of it. In hindsight,

we know full well that they were supposed to be paying rent and they never paid rent, for heaven's sake. They didn't pay rent.

I know it's in the member's riding and he must defend them. He has that option, and he is doing so. He was very full in his government to try and create this deal, and it bugs me to no end to think they have signed a deal with all these people that's going to tie up good, public, open space parkland in a city that's starved for parkland for a buck a day for 100 years. That still grates me.

**The Deputy Speaker:** Questions and comments? The member for Fort York has two minutes.

**Mr Marchese:** I thank the members for their comments. I disagree with all of them rather strongly. There are several things. As you can see from the comments of Etobicoke West, the hostility from Metro was immense. You can see it. You can feel it. It's palpable. It's palpable. Think of the kind of the kind of things that must have gone on in Metro with that kind of vile and bile and violence. Right?

The point is this: The Conservative government promised to fix this. Many of its members, through Mr Grossman in particular, failed in their promise to deliver.

**Mr Stockwell:** They were wrong.

**Mr Marchese:** Not at the time when they promised they weren't wrong. When they promised, they weren't wrong, were they?

**Mr Stockwell:** They were wrong, one guy.

**Mr Marchese:** Secondly, everyone has access to the island. I keep on repeating that 95% of the islands is accessible to everybody. Only 5% of the land is occupied by the residents. It has not taken away space from anybody wishing to go to the island. So I'm not quite sure why they continue to do that.

The point is this: Many of the islanders have been there for a long time. They have title to their land. I don't harbour any anger against them. It is a public park for all.

**Mr Stockwell:** The land is owned by Metro. They don't have title; that's not true.

**Mr Marchese:** It is a public park for all and we had the guts, we were the only government that had the guts, the fortitude, the political will to deliver on a promise that every other government failed to deliver on. The Tories failed them and the Liberals through Mr Peterson, who wrote a very clear letter about his support to the islanders, failed them. They have all failed them, and that, I think, is shameful. So if you can fault us for anything, it's for delivering on a promise.

**The Deputy Speaker:** Further debate? The Chair recognizes the member for Etobicoke-Rexdale.

**Mr Hastings:** It really makes the heart palpitate to try and listen to some of the mythologies that the member for Etobicoke West has mentioned in his remarks about trying to defend the indefensible. It's like the Maginot line, the type of stuff that the member for Fort York has tried to coat over or cover over in this whole debate regarding this particular issue. It doesn't matter how many stretches he does of the imagination; the use of the elastic in any direction in any issue or any aspect of this issue is absolutely incredible.

Let me just start by stating that there is no doubt in my mind that if you look objectively, as best as you can, at



this particular situation, the mess created by the previous regime in trying to resolve this issue and what the member for Fort York says, in trying to bring peace to a situation which really didn't have to have any peace brought to it—because there was undoubtedly some hostility by Metro taxpayers regarding the ongoing catering to the new people who moved to the islands during the 1960s and 1970s. My remarks aren't directed at any of the folks who have lived there for many, many decades, the older generation. But what the member for Fort York loves to do is to mingle the two to create an illusion about this whole situation.

You might ask why there is any hostility by Metro taxpayers regarding this whole mess. It's not hard to figure out. The members opposite usually use the word "fair," and when you apply the word "fair" in the context of this issue, Metro taxpayers and Etobicoke taxpayers weren't treated fairly whatsoever at all regarding the expenditures of moneys to restore so-called peace to the Toronto Islands regarding this situation.

They spent a million bucks. They never asked the local councils; they just used the Metro council and the taxpayer to spend these moneys. And get this, members of the House. Just around election time last June, this is an outgoing government, but it saw fit to spend another, "What's a million?" Lots of taxpayers ask me where all the moneys have gone over the years in terms of the hard-earned moneys they pay in, whether it's through the retail sales tax, personal income tax, gasoline sales tax or any other tax. Here's a prime example of where the \$1 million went: for consulting and legal fees, into the deep, dark hole of debt and deficits in this province.

You're darn right there was peace brought to the Toronto Islands—at the cost of \$1 million of Metro taxpayers' hard-earned bucks, particularly with taxpayers' money from the five municipalities that have been paying into this federation and into this issue for umpteen years. That's the first myth we ought to deal with in the elaborate reconstruction of mythologies the member for Fort York wants to talk about regarding the community over there.

As a member of a previous council, I couldn't believe the amount of money that was spent on this issue when the money that we need today for so many things isn't there. But it sure was there to deal with this issue.

I want to get to the purpose of this bill, which is designed to eliminate the current and future financial liability of the province of Ontario, to restore some fiscal accountability to the Toronto Islands land trust and to transfer the responsibility for the affairs of this situation to the islands trust and the residential community back to the local level. That's very consistent with the values of this particular government—not having Big Brother impose a settlement through the use of taxpayers' money; ie, "What's a million?"

But the most important point about Bill 38 is that it gets over all the sweetheart matters that were in the original legislation, in Bill 61, that were given to the island residents, or at least some portion of them, by the previous NDP regime. Members opposite like to talk about deals that have been made. This is probably the prime model of a sweetheart deal made with a minority

of the newer residents on that island regarding this whole situation.

The previous government introduced Bill 61. Under Bill 61 the Toronto Island residents—and I wish I was one of them—really hit the jackpot. It's like winning a minor 6/49. You might ask why, the Metro taxpayer might ask why in this regard. Why wouldn't they be a little jealous or a little hostile, if you want to use the terminology of the member for Fort York. Here's why: The residents only paid 30 bucks a month. That's a good deal. I think anybody in this House who had the opportunity to pay 30 bucks a month to cover a whole pile of services would be right there to line up. You've got ferry service, policing, fire, ambulance paid for by the Metro taxpayer.

**1650**

I know the member for Fort York doesn't want to remember that, because that's a bad memory. He wants to create the mythology that they created peace as a result of the expenditure of the \$1 million under the sweetheart deal the previous regime brought about. It benefited certain people on the Toronto Islands. One portion that it certainly benefited, which we weren't a part of—and this is why the member for Etobicoke West has his blood up somehow and is sometimes exercised over this thing—is a certain political élite.

**Interjection:** That's all right.

**Mr Hastings:** That's all right in the eyes of the previous regime.

**Mr Sergio:** Nothing wrong with that.

**Mr Hastings:** Nothing wrong with that. That's called, I guess, members from the Liberal Party who helped create this mess, political patronage, which they're always saying it's dreadful to be involved in when we appoint somebody, but now it's okay. An interesting, inconsistent standard, but what would you expect from members of the opposition party? I wonder which ones are—the centre today, I guess, is what's dealing with this issue.

When the member talks about bringing peace to the Toronto Islands situation and talks about community, the one part of the community he doesn't want to have you talk about or remember is the political élite of that community, because in this whole Bill 61 not only were they going to build a nice set of new homes called the Flying Toad Co-op—I thought that name was rather exotic in a way, and I can't figure out why they used that term, because to some extent this is the party that's the champion of the environment. These are the folks who protect the environment. They're the only ones who have a monopoly on caring about protecting the environment.

But guess what? This particular project was going to be built in a floodplain. They're always lecturing us about how bad it is to damage the valley lands or build anything in the floodplain, but that's the bottom factor here, the reality. He doesn't talk about that. That's why the cost of this particular Flying Toad Co-op was going to be increasingly costly, because when you build in a floodplain you obviously don't want to have people at risk who would live in those homes, would you? No way. You would have to build a breakwall. If you go to the spot where this floodplain is, they would have added to the cost with a breakwall, a very expensive one, to help



the people they were putting at risk by erecting homes in a floodplain.

How do they reconcile this? They're the champions of the environment on the one hand, but here they were going to allow this particular project to be built in a floodplain. How were they going to get around it? Not a problem. What they were going to do, and did under Bill 61, was exempt this particular non-profit co-op from the floodplain. They were going to exempt themselves from the Environmental Assessment Act and the Planning Act. These are the very folks who are always in an uproar whenever any exemption comes across from any other government, including the previous Liberal regime.

Now, how do they reconcile protecting the environment on the one hand, building 120 units of housing in a floodplain on the other and then turning around and getting all upset any day this particular government makes any changes to environmental legislation? It's an amazing leap of faith or triple canyons they're involved in.

**Mr Floyd Laughren (Nickel Belt):** Is this a lecture from the Tories about the environment? Is that what it is?

**Mr Hastings:** I know the member for Nickel Belt doesn't want to be reminded of this, because he's one of the ones who helped to vote in cabinet for that \$1 million to get this thing off the ground.

That's a good beginning, if you're friends of the NDP in this regard, because what they called "preferred occupants"—I wonder who they were? If you look at some of the folks who were on the board of directors of the non-profit co-op, 10% of them at least were going to be allocated to one of the political élites, in this case members of the NDP staff of the previous regime or their associates.

**Mrs Helen Johns (Huron):** No, really?

**Mr Hastings:** Yes. That's how they work. They had an ABC list, a preferred list, but this is part of the community. They weren't even going to allow, probably, the older residents in there. On the preferred list the folks from the political élite get top priority. But that's okay; that's called equality.

**Mrs Johns:** Was Floyd getting the penthouse?

**Mr Hastings:** There weren't any penthouses, but they were right in a floodplain. The more I think about this, the more astounding it becomes. How could the environmental champions have even thought about putting this project in a floodplain?

Getting back to the name, I can understand now, I think, how they came to the name "Flying Toad." This is the group that wants to protect the environment. Probably in that floodplain or on the edges of it, if you go there today, you would find varieties of toads in their habitat, in their ecology. So if you built this housing in the floodplain, guess what would happen to the toads. They would fly away or they would walk away. How are a bunch of toads going to be able to coexist with people living in a non-profit co-op situated in a floodplain? I don't know how you figure that one out.

Now we have them in a floodplain, we have the toads gone, we have to build a breakwall and all the other things.

One of the other things they came up with in this bill which the member for Fort York doesn't even reference

is that the ferry boats, operated by the Toronto Transit Commission, I presume, Metro, have a certain rate. If you look at the regs under their Bill 61, guess what they were going to do to protect the folks who use the ferries every day, especially those of the island residents who were working here at Queen's Park. They decided to freeze the rates during the winter so that they were the same rate as during the summer.

That of course was in the public interest, as you know, because this group was part of the community. Again, they forgot about the older island residents, but if you call something "in the public interest," it must be in the public interest.

This whole situation about building this thing in the floodplain and all the other related items regarding it is absolutely astounding in terms of the blatant disregard, I think, for the taxpayers of Toronto, Ontario and Metro particularly, because shortly after June 8, this is how they decided to spend the \$1 million I've referred to.

If people want to know what the \$1 million was for, well, they had to do an audit. It was commissioned by the government. They spent \$416,000 in legal and consulting fees. The question crossed my mind—and I'm sure the member for Etobicoke West will bring this out in his remarks—I'm wondering to what extent the consultants of the firms involved in this little public interest charade were also consultants to the Fair Tax Commission when it was running up big bucks three or four years ago to aid the Treasurer at that time in how to bring about fair taxes and minimal taxes to the Ontario tax system.

However, I'm not going to retell the whole story about this NDP nightmare. I'd rather focus back on the benefits of this particular bill, the contents of it and why it was necessary to bring about a new arrangement, long, long overdue.

First and foremost, Bill 38 eliminates the current and future liability of the province by repealing the requirement that the province give a loan guarantee to enable the owner of a house on the islands to purchase a land lease or bring the home up to fire codes. With this bill the province will no longer receive a portion of the proceeds from the sale of a land lease, particularly the one that was in the floodplain.

**1700**

Bill 38 restores financial accountability of the islands trust because the trust will be restricted, as the minister said, to the sale of 12 land leases for sufficient land for 12 homes that are infill. That's reasonable, to get back the fiscal mess that was created. And they're not going to be built on the floodplain, because I specifically asked about that. At least we've stopped that nonsense. We've also stopped the nonsense with the Flying Toad Co-op having been built in what you call a non-profit co-op. Really, that's a hidden name for what you call luxuriously affordable housing. That means where the taxpayer gets to pay for 35 years the amount of interest due and principal on the mortgage on each one of the 120 units that were to be built in this marvellous piece of housing on the floodplain. So at least the 12 lots for sale will be within the existing residential community with access to the existing infrastructure, which is another matter, of course; if they'd built the co-op, they'd have to bring in



hydro, additional water and sewage, costs that weren't even estimated in their particular proposal.

This particular bill ensures there will be no further development in existing park areas. That's the other point that is absolutely astounding about the previous regime. Not only did they end up wanting and requiring that this Flying Toad Co-op be built in a floodplain, they were building in a public park. Can you imagine if this government tried to bring in some legislation that would have allowed 10 members of Conservative staff to live in a private-sector-financed co-op in, say, High Park or Centennial Park, or any other of the parklands in the greater Toronto area? My God, the horrific outpourings of shame and all the reaction back—we would never have heard the end of it. But curiously enough, in this particular case, it seems to me the media have been very quiet about this whole proposal. I'm just wondering whether some of the members of the fourth estate might have been eligible as preferred occupants to live in the Flying Toad Co-op. Who knows?

There are other things about this bill that will help restore a little fiscal sanity to this mess. The proceeds from the sale of the lots are absolutely key to Bill 38, because the revenue generated from the development of these infill lots will allow the trust to pay off the debts that were run up by the previous regime, remove the provincial guarantee on its line of credit, and restore the trust on firmer financial footing.

Bill 38 also transfers the responsibility for the Toronto Islands trust and residential community to the local level which, as I said before, is the specific value of this political party and government, by changing certain aspects of the leasing arrangements. Under the previous regime's act, the province would lease certain land—you see, Big Brother in there, telling them how to do it—and buildings to the city of Toronto and other land to the Toronto Islands Residential Community Trust Corp until December 15, 2092. We're all going to need a pile of new stuff put into us to see how this works out in another 100 years—Bionic Man.

Bill 38 will remove the exemption from the Planning Act that was granted by the former government for the Toronto Islands community. This will ensure that any future development contemplated on the islands will be subject to provisions of the Planning Act, as they should have done in the first place, instead of providing themselves with a little private exemption for parkland in a floodplain. I can't believe that one.

After all, as unique as the Toronto Islands are, they are no different than any other community in Ontario, so why is the province assuming the responsibility for this lone community when it should fall under Metro's jurisdiction? Three years ago, the previous regime were in power, the top priority was to ensure that their own people were looked after first and foremost in the name of the public interest. Now that these Rae days are finally over, thank goodness, and they're behind us, at least responsibility for the island community will be transferred to the city of Toronto.

Let's be reasonable. The Toronto Islands require the same services that every other community needs. It also makes sense that these responsibilities be assumed by the

appropriate level of government that can deliver the services to the residences as efficiently as possible.

I agree that this bill does give the province the right to retain the responsibility for appointing trust board members. So why is the province still going to appoint these board members when it wants to reduce its involvement in the islands? Our government believes it is more important that the islands community and the trust remain viable over the long term, as the minister has alluded to in his remarks. By retaining this responsibility, we will ensure that the board will be strong and representative. We also want to ensure that the board reflects the diversity of the islands and acts in the best interests of the entire community, not some segment of the community.

As I mentioned earlier, the previous NDP government's agreement's cost to Ontario taxpayers was \$360,000, as part of that million, and taxpayers are going to ask how much our deal is going to cost them. Zero, zero—a big, big difference between the so-called peace bought by the previous regime at a big price to the so-called settlement of the issue. In fact, we feel that our government will save taxpayers money by eliminating any future provincial liability relating to the islands.

The elimination of the Flying Toad Co-op alone will save the government about \$1.5 million in annual subsidies, so if you move that along 35 years, you can see how costly it was going to be and how unfair it was going to be to both Metro and Ontario taxpayers. In addition, the government will save an additional \$674,000 on infrastructure costs that would otherwise have had to be spent if this co-op had proceeded.

It seems to me that the solution our government proposes is a compromise solution which recognizes and retains the existing residential community. Our government is attempting to normalize this community by bringing it under the jurisdiction of local government, in this case the city of Toronto, and to take steps to place the trust back on firmer financial footing. It'll be a first in that regard. Islanders will be able to live on the islands, but should not be treated any differently from any other community—I think that was one of the key sources of frustration and hostility from Metro taxpayers about the previous sweetheart deal—and they, not the provincial taxpayer, should pay for the debts the island has run up over the last couple of years, and the sale of the 12 infill housing units will help us to get on that particular road sooner and faster.

Finally, I'd like to comment on the member for Fort York's sowing of seeds of distrust and suspicion that somehow a change in the composition of the board of directors of the island trust is going to lead to imposition of changes that wouldn't be in the interest of the whole island community. Having known the Minister of Municipal Affairs and Housing and the composition, we will succeed, I believe, in bringing to rest any of those scurrilous aspersions which the member for Fort York has raised about the problems that could be brought about because they lose two thirds of the majority of the board. I know this minister's door is always open to consultation, and both his parliamentary assistants, regarding this, will be able to deal with the issues if they are some things that really need to have the minister involved.



1710

Finally, let me say again, I'm glad to see an end to this mess, because as a member of a local council I couldn't believe the time in which political energies were spent at a number of levels trying to bring about restoration of "peace on this issue" at such an unfair price. This particular piece of legislation brings about much more needed stability and sanity to what was an unbelievable and frustrating experience by many members of council, both at Metro and in the local governments, and it's a better break for the taxpayers of Ontario and Metro.

**The Deputy Speaker:** Comments and questions.

**Mr Sergio:** I tend to agree quite a bit with what the member for—

**Mr Marchese:** Please don't say that.

**Mr Sergio:** Yes, I have to, I have to be fair, you know. The member for Etobicoke-Rexdale did mention a couple of things going back to the history of the island residents. But let me say this in all fairness to the attacks on the Liberals and the NDP, which have left us, I have to say, a real problem.

We told all the members on the other side here that the Conservative people have had over 40 years to rectify once and for all this particular problem. It's not since 1956, according to my figures, as the member for Etobicoke West was saying. It's one year after the creation of Metro, as we know it, in 1953. It was in 1954 when the city of Toronto gave it to Metro, gave a hot potato to Metro, and said, "We can't handle this." They gave it to Metro to solve the problem, and ever since 1954 nobody was happy. Absolutely no one.

I wonder where the Conservative people have been for the last 40 years and more, that now they are attacking the Liberals and the NDP. Excuses, excuses, but the fact is that for 40 years and more the Conservatives had the ball in the field and they could have solved this problem for the residents of the islands, for the tenants, for all levels of the various governments, and for the rest of the people of Metro and Ontario. So don't come today accusing the Liberals and the NDP.

**Mr Marchese:** I'm not quite clear yet what the Liberal position is. I think that they're opposed to the bill because it didn't go far enough, and I presume they're saying you should have simply undone Bill 61 and bulldozed the islanders away from the island. That's what I think their position is. Perhaps in the next turnaround I'll get a better idea of what they're proposing, but at the moment I think they're opposing the bill.

The member for Etobicoke-Rexdale says that we served a "political élite" on the island. I'm not sure what this political élite is, but I have to tell the member for Etobicoke-Rexdale that there have been many islanders, over a long stretch of time, who have supported different political parties over the years. I'm not sure what you're talking about. But if that's what you're talking about, I have to tell you that political affiliations have changed over the years for a long time.

If you don't mean that, then I don't know what this political élite group means, because I don't know who they are or what your reference is to this political élite, but there are a number of people, yes, who have been very political over the years and, yes, they've supported different parties over the years. That is true.

With respect to this member saying that we were going to build on a floodplain, talk about a myth. That is one of them. Our government has done the biggest and largest study and research on any shoreline ever, and it determined that we were not building on a floodplain: the longest, biggest study we've ever done, and we were not. The study said it was safe to build where they were going to be building. So talk about a mythology around where we were going to build. But that's another issue, because quite clearly that's not the issue for you anyway.

**Mr Stockwell:** I just want to briefly comment on the member for Fort York's revisionism. If you weren't building on a floodplain, why were you building yourself a \$5-million wall in the water? Get a grip, for heaven's sake: \$5 million for a wall because you weren't building on a floodplain? Holy smoke.

Okay, you weren't building on a floodplain. The wall was just for aesthetics.

**Interjection:** The Great Wall.

**Mr Stockwell:** It was the Great Wall of Marchese. I don't know. What is it? Why were you building the wall? I don't know. You've really got to wonder about that one. They did a huge study that said, "We're not building on a floodplain, but we're going to build a floodplain wall anyway."

I'm going to move on because I've got my friend here from Yorkview, a Liberal, and he doesn't have a position. Shock. Say no more.

**Mr Sergio:** I am here to listen.

**Mr Stockwell:** I'm still waiting to hear what—and here's another good friend of mine. Maybe this Liberal will explain to that Liberal what position they're going to take and this Liberal will vote in favour and that one will vote against.

If you want to do something different with the island than what's been presented by the minister, say it. If you don't want the houses there, say you want to bulldoze them. If you don't like the legislation, say you don't like it. Tell the islanders that you're in favour of bulldozing those island houses, because if you ever get elected again, you could go in and break those leases and bulldoze the islands. I think you should be on the record. Not only is it important that you get on the record; I think it's important you find the record.

**Mr Bradley:** I think there is a problem with the islands, because there appears to be something in the water that is drifting down to Etobicoke. When I listened to my friend from Etobicoke West speak today, it makes me—and Etobicoke-Rexdale had a very interesting speech. But I was listening to the responses as well, and I wonder about some of the history and some of the memory of the member for Etobicoke West as he responds.

I listened carefully when he was sitting on this side of the House, approximately where Mr Smith from Middlesex is sitting now. They wouldn't let him into the front row. I always thought he should be in the front row. They wouldn't let him into the front row for the Conservatives. He made a compelling case that does not square with what I hear the government doing today. I'm glad that another member for Etobicoke—in this case Rexdale—has recognized this and is trying to rescue his



colleague from Etobicoke West from some of his previous speeches.

The fact is that what this needs is a keen analysis. What you have proposed is rather interesting. It's somewhat helpful. It has nothing to do with the tax break, which I was wondering about, how this could be possibly related—Mr Speaker, you may be able to help me—to the fact that the government is going to have to borrow over \$20 billion in order to deliver a tax break to the people of this province, all with borrowed money.

I have a feeling that somehow this is related to this bill, and I'd be interested to hear whether there's a response to that in this regard.

**The Deputy Speaker:** The member for Etobicoke-Rexdale has two minutes.

**Mr Hastings:** In wrapping up, let me just say I waited with bated breath for the analysis of the Liberal position on this particular bill, and he's trying to suggest or imply that somehow some of the items I dealt with are not connected to reality. Well, if that's true, then I don't know where that leaves the Liberals.

1720

In terms of the member for Fort York, I didn't want to bring this up. He said he couldn't figure out who were members of the political staff we were talking about. I don't want to get too personal here, but one of the people who certainly was going to be a member, I guess a preferred occupant, of this Flying Toad Co-op, was, dare I say, one of the principal architects of Bill 61. He was the former policy adviser to the former Minister of Municipal Affairs. Can you imagine? There's no connection here whatsoever between the minister's policy adviser in this area and the minister. They're completely separate people from completely separate political ideologies. That's only one. We could go on and give you a list if the member for Fort York insists on it, but I don't want to pain him with all the good folks he lost in the last election.

Finally, what is the position of the official opposition on this issue? Could we please hear a solid position as to whether they like some of the things in the bill, they think it's a lousy bill, it should go to committee? We're not hearing anything from them in terms of those directions. I'd be very interested in hearing the member for St Catharines' analysis of the actual bill, rather than the tax cut he's so worried about that he can't get unobsessed about.

**The Deputy Speaker:** Further debate?

**Mr Alvin Curling (Scarborough North):** I welcome the opportunity speak on Bill 38, which is before us today. As I heard my colleague speak on this bill, I wondered, as he said, what was the rationale for this bill. But just as the member from Rexdale finished speaking, I then gathered that the rationale for this bill is—

**Mr Hastings:** On a point of order, Mr Speaker: I'm new to this House, but I always thought that you make the best effort in trying to identify where the member is from, whatever the name of the riding. I always thought that was in the standing orders. I'm from the riding of Etobicoke-Rexdale.

**The Deputy Speaker:** It's not a point of order, and I make the same mistake occasionally myself.

**Mr Curling:** Such a human you are, Mr Speaker. I appreciate very much when you bring that human element into this. Anyhow, from Etobicoke West—

**Hon Mr Leach:** Etobicoke-Rexdale.

**Mr Curling:** Etobicoke-Rexdale. If he were sitting in his seat, I would know where he's from.

The rationale that I find, the reason why this bill came into being, it seems to me, is to get even with the NDP. As he stated, all those NDP who are living on the island, maybe we should have a bill to get them off. What a reason to have a bill. I have far more respect for the minister who has introduced it, and I hope that's not his reason.

This Toronto Island, the specific place, has been a political football for years; as a matter of fact, for a very long time. As I was reading my notes, I realized that this island, which was acquired way back in 1867, has been going from one extreme to the other, being debated and being put into different hands over the years. As a matter of fact, people have been living on that island way back from 1894. One would want to believe that this came about just recently, maybe when the NDP came about, that this island issue was there, but that's not the case.

The other observation I've found is how interesting it is that there are many former municipal politicians who are in the Parliament of Ontario. They should have much more intimate knowledge of what happened, and I thought they would have helped to resolve some of these problems we've had over the years, but what we have is a lot of rhetoric, a lot of speeches, a lot of political football being played with this issue. It is very sad.

My main reason for speaking on this bill is an aspect of it where this government again came to attack co-op housing. I'm not quite sure where they stand on co-op housing. One minute they are against social housing and one minute they are for co-op housing. After the member for Etobicoke-Rexdale spoke, I found that he seemed to be against co-op housing. I hope the minister will stand up and say, "We are for co-op housing and we will strongly support the building of affordable housing," especially co-op housing, with the assistance of government to bring that into place and not leaving it to the private sector.

**Mr Stockwell:** On the island.

**Mr Curling:** But first is to establish that.

The reason the member for Etobicoke West keeps saying "on the island" I will address later on in my speech.

I would like to establish—and I hope they will be able to establish—that they are in strong support of affordable housing and co-op housing. I know you're going to get some help from the federal government in assisting building more co-op housing, but you don't state that very well in many of the speeches. I'm speaking directly to the minister, who of course is much more privy to all that wonderful information from the feds who are telling him and encouraging him to continue to build co-op housing. I hope you will continue to do that.

I also understand and empathize with my colleague the Minister of Housing, because as his members speak, it seems to me they don't have a full understanding of what all that means about housing and affordable housing. First, I fully agree that to build housing on the Toronto



Islands, with a floodplain like that, with conditions not conducive to building more houses like that, should be looked at very seriously. From that angle, I can support a cause that maybe they should not be building co-op housing or building more housing in that area.

What bothers me is that the Minister of Housing brought forward no plans at all for housing or affordable housing. He has this slash-and-burn approach to anything that's called affordable housing. He decided, "I will take a look at the terrain of this land and, as far as I can see, if there is any evidence at all of building of affordable housing or co-op housing, we're going to slash that and put it away." Gone, as he would have said and his Premier would have said when he just came in—gone. All that would have gone. No support, no assistance at all to those people who want access to affordable housing or to co-op housing.

When I heard the member for Etobicoke-Rexdale speaking about the people living in co-op housing, he said they were people who could afford to go there. I don't think he does understand who comprises the residents of co-op housing or affordable housing, to realize they're not all people who need support or government assistance. It's a mixed income that is there.

I know it's difficult. I think once you educate your caucus and your members about that strategy and that program, they'll gradually come around to understanding why it is important to build more affordable housing and more co-op housing. I emphasize that, because killing the 110 co-op houses on the island is to say you must create another 110 somewhere else. But you haven't done so. What you have done is put a lot of people, those who need that type of housing, into a position that they don't know—they are scared, they are frightened, they don't know where they should go later on, because this government does not speak for people who need support.

**Mr Stockwell:** What are you driving at, Alvin?

**Mr Curling:** What I'm driving at is that if this government here could represent all the people of Ontario and not only the select few people of Ontario, then we'd say we have a government that is representative. They brag about privatization, they brag about helping the rich and the élite, but in no way support those who need assistance, as government is all about.

1730

When they do collect money and when they talk about spending taxpayers' money, they speak as if the people who are lower-income don't pay taxes. As a matter of fact, if they do pay taxes: "We'll take it from them and give it to the rich and give it to those who can afford it, or if we want to give back a tax return, for instance, then we'll look and say who should we give it to. Well, we should give it to those on the top end of the ladder, of the strata of income, and then that will be of more support."

That is why, Mr Speaker—I don't know if you were there; I don't think you would be there because it was a fund-raiser held for the Tories, and I know that as a Speaker, you're quite neutral, of course, and you would not have been sitting there at that fund-raiser when the Premier was bragging about how much money he got in and said, "You know, I feel so good, I could give you much more taxes back." He wasn't talking to those who

would need it most because, guess what, it is those on the bottom end who are paying up for those on the top end of the scale, which is unfortunate.

I want to appeal to my colleague over there, the Minister of Housing, who has now I think kind of learned and understands that there are people who are most in need of government support and assistance, that laws put in place should be for all people, that the laws in place should give some support for those people in need more. But no, we find a government that comes about and says, "I want a tool." They speak about the toolbox. The toolbox must have a sledgehammer and a machete so they can go and chop programs for the poor and beat up all those who can't afford to survive in this society. I tell you, this pains my heart, because the fact is, they come about with that smirk on their face as if: "We were elected by all the people and to heck with all the poor people. They should go out and get a job, they should go out and get off welfare." In the meantime, they have cut off that support from the people who need their support most.

**Mr Stockwell:** How are you voting?

**Mr Curling:** While my dear friend from Etobicoke-West is asking how we will vote on this, let me be very clear about how the Liberal Party will be voting, and I will stay for the quiet: We will vote against.

*Interjection.*

**Mr Curling:** I'm so glad I brought some order to the House. They hear very clearly that we will not vote for a bill that seems to be just vindictive. Somehow it would resolve nothing, and no policy there, and we go about with this sledgehammer, this slash-and-burn approach of this government, and to say, "Yes, we will get all those NDP who are living there." That's not the way you make policies. This issue has been around for over 100 years, and they come and say, "Oh, those people in their co-op housing and that place that is not conducive for housing, we will just slash that, yes." But where are they creating?

I will tell you a story, Mr Speaker, and you will associate with this. You have visited—and I will use an example of Cuba. You remember when Fidel Castro and his friend Che Guevara went off to liberate Cuba and when it was all over and Castro was in charge, Che Guevara wanted to go on to other places, to destroy and to make sure that he can liberate other places in South America. Castro said to him an old saying, "There's a time to destroy and there is a time to build. There's a time to build up."

I'm saying to this government, when you have a policy that you won in June and feel it is time to destroy—it is the month of May in 1996 and I have seen no creative way in which you are building a society to make sure that people feel a part of it, but you continue to go about destroying, driving the living fear into the most vulnerable in our society when you should be protecting those who need the protection in our society. This government feels that big business needs more protection than anyone else, that big business and people in the upper echelon of income should be given more money because what they will do is give it back.

The fact is that people are in fear that they have done a job and feel, "Yes, I've done a job by voting." Most of the people who voted for you expected you, as the



government, to protect all people, especially those who are most vulnerable. Those people who have great incomes, larger incomes, and are living in good homes and all that don't really need government support; they can do it themselves.

They don't need the government to cut away its support as it has to the lower-income people, to say, "You shall now have less money because you're on welfare," "You shall have less money for those who are supporting battered women in the shelters," "You shall have less money for those who need day care," and, "Go fend for yourself," or, "You don't need transportation because the fact is that the people we represent all have cars." No wonder the Minister of Transportation tells us in the House that if you're in trouble on the highways you can use your cellular phone. The mentality and the thinking is on that upper area, those who can afford it.

I appeal to you, if you bring laws into place, to make sure you are sensitive. That's why we talk about consultation. I want to spend a little moment on that word. It means a bit of listening. It means not only just listening but to respond to the concerns of those people who are telling you that they are hurting, that they have no home to go to, and the seniors who are fearful that you're going to destroy the protection of rent control, you're going to destroy some of the things put in place to protect them.

You have come out and said, "We're out of the business of housing." But government is in the business of everything that is legislated to protect people. When they come out of it, which they have openly—and I must say to them, they are pretty honest about this. They said, "We are out of the business of everything." Then we asked the question, "Who should do the business of government?" Their answer is: "Private industry. We shall get private industry to come in."

Today, and for a couple of days as it has gone on in question period, we have shown that even when they bring the private sector in to take over some sectors of the things that government does, these people are corrupt. The government on this side doesn't even stand back to say, "Let me check all this out because I'm going to hand over my responsibility to the private sector." These people that they have found guilty of criminal activities are going to run the industry that the government has been doing for years and years.

There's nothing wrong with the private sector being involved in some of the situations we have, but we must make sure that if we hand it over to any private sector, it will represent and make sure that the services that are available to people are accessible to all people, not only those who can afford it but those who can't afford it too.

For instance, one of my constituents called me and told me they have stopped the bus—and this is a good example here—running up Tapscott Road. She said to me, "How could you appeal to the members, the government, to say that I leave work at 6:30?" The person who called me works with the Ministry of Housing and said: "I leave at 6:30 down here in Toronto. The bus stops at 7 o'clock. When I get home, I have to walk almost a mile in the night, and I'm fearful, I'm scared. My kids go to night school and they have to walk." Why? Because there are no services; they have cut back the services.

Can you imagine what we'll do when they hand over most of these services to the private sector? That is why I say to you that this Bill 38 has no structure, no program, no policy to say, "If we destroy this, we will then create the other aspect of things; if we get rid of 110 non-profit co-op housing units, what we will do is we will eventually tell you we will create otherwise." No. They are saying, "We are depending on the private sector if we destroy it, on the good heart of the private sector." If they can make enough money, sufficient money and sufficient profit—and there's nothing wrong with profit; I am one who believes that if the private sector's in a business, it should make a profit. But why would they build housing at a cost, with such low returns with the rent that would be paid? Why would they build it if they can't have a return, make a profit?

That is why I'm saying to you, if you destroy 110 non-profit co-op housing units here—it may be ill-advised, badly directed, to build there—then create it somewhere else. There is a need. I'm so glad that many of the members listening so attentively will realize how important it is.

1740

Don't forget those people who need your service. You don't answer to your constituency here. When you go back to your constituents and they ask you the basic questions, "What are you doing for me because my accommodation increase is so high? What are you doing for me because I don't have a job? What are you doing for me because I and my kids can't afford proper education?" if you respond that the private sector, as soon as it gets around to it, will provide all that, that's not good enough.

The wonderful thing about democracy—and I'm very patient. I am very patient about this. The people, who are very alert to what's going on in this very civil society, will wait for the next election and assess those who have helped them and supported them through this process. If they did not respond to their needs, what they will do is say, "We shall not vote for you."

That's the wonderful thing about democracy. That's why when polls are asked every day—and you know how polls are. I don't believe in polls today. The polls I like best are those at the polling station. That day, when it comes time to vote for those who have not supported the cause of those who need government most, I hope the response will be resoundingly clear for those individuals here who have destroyed some of the basic supports of people in our society who need help but get no encouragement from this government, get instead a sledgehammer and a machete in a slash-and-burn approach to destroy and nothing else comes with it.

I hope when the time comes for the budget that I can see in it—and I'm pretty patient—that 110 non-profit co-op housing units will be created somewhere else, that all the hundreds and hundreds of projects you have destroyed in non-profit housing will once again evolve and that we see you supporting that. I do hope you don't come back and say to me: "We will wait for the Reaganomics, that trickle-down stuff. As soon as the private sector is done building at the top end of the market, they'll build affordable housing for those people."



That is why I cannot support Bill 38 presented by this government. It's search-and-destroy legislation, and we want constructive and supportive legislation.

**The Speaker (Hon Allan K. McLean):** Questions and comments? The member for Etobicoke West.

**Mr Shea:** I thought it was my turn.

**Mr Stockwell:** Go ahead. There's lots of time. It goes right around there, member for High Park-Swansea.

Let me just point out a couple of discrepancies with the Liberal Party's policy here. We heard from the member for Oakwood today. If you understand the island issue as it sits now, there are homes presently in place that have lease agreements for 100 years and there was a proposal to build a co-op.

**Mr Marcel Beaubien (Lambton):** How much is the rent?

**Mr Stockwell:** I don't know. A buck a day for 100 years.

Mr Colle, the member for Oakwood, stood up, and his rationale for not supporting this piece of legislation—I might add in parentheses that Mr Colle's a Liberal—was that they weren't going to tear down the homes and make it all parkland. He was firmly entrenched as a Liberal in the position that, "Since you're not going to break those leases, tear down the homes and make it all parkland, I can't support this."

I sat here long enough to hear another Liberal speak, and that was my friend from Scarborough, Mr Curling. It's curious that Mr Curling and Mr Colle are in the same caucus. I can't believe it, because Mr Curling says, "I can't support this bill because you're not building the co-op." Mr Colle says, "You should just clear it all out and make it all parkland or I can't support you," and Mr Curling says, "Unless you start building on the island, I can't support you."

I've got to ask you, when you caucus something, are there two different rooms? When you come to an agreement at the end on what you're going to do, have you people talked to each other, or is this all done by e-mail? I can't for the life of me understand how Mr Colle can say, "I don't support it unless they tear the homes down and make it all park," and how you can rant on for 20 minutes that the co-op's necessary and should be built.

You've only got two minutes to respond to this, Alvin. You're going to have to get right to the point. I don't want you to obfuscate. So you've got two minutes. Do your best.

**Mr John Gerretsen (Kingston and The Islands):** It's very interesting listening to that member talking about belonging to the same caucus. This morning, that member and the member for Wellington came before the standing committee on social planning and development or whatever it's called dealing with the education bill, Bill 31, and they came there and pleaded with their eight Tory members on the committee to allow the College of Teachers to be open, the membership be open on it, so that the 17 members would all be in teaching positions. How successful was this member with that amendment? He didn't get anywhere. He could not get one out of the eight people to agree with him. So he's asking us whether we belong to the same caucus. We sure do.

I'm very pleased to see the Minister of Municipal Affairs and Housing in the House today, for one reason

and one reason only. Our member made reference to that, and that deals with, what business is the government in? Mr Minister, it may very well be that the government is not in the business of housing, but the government is also not in the business of invoking fear and anxiety in people, especially elderly people, who are clearly upset, who live within Ontario Housing Corp units clear across this province, a quarter of a million of them whom you have upset over the last four to five months by telling the people that basically the units are going to be sold out from underneath them without any protection whatsoever.

Mr Minister, why don't you do the right thing, stand up in the House today and tell them you will not sell their units without full and complete consultation with those members?

**Hon Mr Leach:** You've got people on the islands.

**Mr Gerretsen:** It doesn't matter about the people on the islands. I'm talking about the quarter of a million people—

*Interjections.*

**The Speaker:** Further questions or comments?

*Interjections.*

**Mr Marchese:** On a point of order, Mr Speaker: A bit of order here, please. We only have two minutes.

Some general remarks with respect to what the member for Scarborough North said. I agree with him. It is true that this government is engaged in some malodorous acts around many, many issues. That is true.

**Interjection:** Some what?

**Mr Marchese:** Malodorous acts. It's quite in order.

With respect to housing, much of what he said is true. This government cares very little about people who are in need and creating security in housing for people in need. It is true what the member says, that this Conservative government cares very little about that. I agree with that. That is in fact the case.

On the other hand, I remind him, the member for Scarborough North, and other Liberals that the former Liberal Premier, Mr Peterson, promised to restore peace on the island and never did. He promised to solve—

**Mr Curling:** He did that. He sent a letter to the islands—

**Mr Marchese:** He did that. He sent a letter to the islanders saying, "Don't worry, we'll fix it," and he didn't. He did not keep his promise, and I will remind the Liberals about that.

**Mr Stockwell:** Alvin, you were there.

**The Speaker:** Order, the member for Etobicoke West.

**Mr Marchese:** M. Grandmaitre and the member for Etobicoke-Rexdale pointed out the shoreline problems. The member for Etobicoke-Rexdale, with a great deal of palpable puffery, said, "They're spending \$5 million over there on the shoreline."

1750

**Mrs Marland:** Good imitation.

**Mr Marchese:** No. He's much better than I at this.

Half a million was spent on the shoreline, and much of it was needed by Metro for the following reasons: for the water filtration plant, for parks, roads and sewers, and most of that was on the other end of the island, nothing to do with housing. The housing was well protected on the shoreline where it was going to be built.



**Mrs Marland:** You know, if you spend enough time in this House, everything comes around full circle. We've often said that. Really, it's almost like it's this person's turn to repeat what that person said five or six years ago, and particularly for me this afternoon, of course, because when the honourable member for Scarborough North was Minister of Housing, I was his housing critic.

**Mr Curling:** Everybody was.

**Mrs Marland:** Everybody was, he says.

The thing that I would say in response, because I know I'm supposed to respond to your comments—however, there's been a great deal of latitude in the last five minutes because I noticed other members were attacking my honourable minister directly, a Minister of Housing, by the way, who has had the intestinal fortitude to make a very difficult decision about the Toronto Islands situation.

**Mr Gerretsen:** On a point of order: I was not attacking the minister. I was just asking him to make a commitment in the House today to—

**The Speaker:** Order. There's nothing out of order.

**Mrs Marland:** Thank you, John. I only had two minutes, and I appreciate your using up my valuable time.

What is so significant is the short memories of people who have been in this House, and I say that with respect to the member for Fort York. You have been saying that certainly the seawall, as an example, was needed, but actually where the Flying Toad Co-op was being built was totally underwater. That's why it had that name.

**The Speaker:** The member for Scarborough North has up to two minutes for a response.

**Mr Curling:** I'll be happy to do that.

One of the greatest training grounds I've ever had in this House was to be the Minister of Housing when all my colleagues were bringing out all their guns, even the Conservative Party in that respect. We took tough decisions, and I took some very tough decisions. No wonder today—Mr Speaker, you knew me when I had black hair, and now it's all white. The fact is we tried our best to represent all people, all people of all strata, landlords and tenants, and take some very tough decisions to make sure we have fair protection for the tenants. I'm appealing to the Minister of Housing to make representation fully on that ground for all people.

I was tempted, of course, to respond to the member for Fort York when he tried to make some sort of scathing attack on me, but we know how the NDP stands in regard to building non-profit housing. We all saw they are committed to that, of course, but somehow, in the wanton way in which they were doing it, nothing really constructive in this for us. No wonder the Conservative Party today can attack the 110 co-op housing on the island, because as we know, it was not a good, sensible decision.

But my point is that I urge the minister, as you destroy the 110 co-op housing units on that island, make sure you create some other projects elsewhere.

**Mr Stockwell:** On a point of order: I know the member from Scarborough ran out of time. I would seek unanimous consent, because he clearly forgot about my question, and I know he would want to respond to it in the fullness of time.

**The Speaker:** Order. Further debate?

**Mr Steve Gilchrist (Scarborough East):** Seeing as I just have a couple of minutes on the clock, I'll be brief. I was told I also have to be gentle, because the comments made in the last couple of minutes have actually added a third position to the two outlined by my colleague the member for Etobicoke West. We had Mr Colle suggesting that the houses be bulldozed. We had Mr Curling suggesting that we should build the co-ops. Now we've got Mr Gerretsen suggesting, and I quote, "that the people of the island don't matter." But I'm not going to make any editorial comments.

**Mr Gerretsen:** On a point of privilege, Mr Speaker.

**The Speaker:** There's nothing out of order. The member has the floor. We're in debate, and I'd like the honourable member to proceed.

**Mr Gerretsen:** But he has abused my privileges.

**The Speaker:** No, he hasn't.

**Mr Gilchrist:** I'm not making an editorial comment. But let me just add another couple of comments in here relating back to when the NDP passed the sweetheart bill that created the environment we are dealing with today. That was their Bill 61. I note there is one member from the Liberal government—there weren't many who stuck around, but there is one still in the House here today.

I'd like to read from Hansard two quotes attributed to him, Mr Bernard Grandmaître, the member for Ottawa East, a Liberal member: "But I would like to remind him that the Cooke deal that's been agreed to...is not the best deal possible. I think it's a good deal for the islanders but a bad deal for Metro, a bad deal for Toronto, and a bad deal for the Ontario taxpayers." I couldn't agree more.

The bottom line is that we've got a number of people living on that island, paying only \$30 a month rent, incredibly subsidized by the taxpayers of the rest of Metro Toronto. The fee to get across on the ferry is \$5, but I'm told that the actual delivery cost is about \$20. From a purely fiscal rationale, we've got to deal with this. What this bill does is allow the sale of lots to deal with the half-million-dollar debt.

I see I'm getting the high sign here. With all deference to the party whip, I'd just like to add that in the interests of all the taxpayers of Metro Toronto it's critically important that we deal with this issue once and for all. I'm very proud that the Minister of Housing has had the courage to bring this bill forward.

**Mr Gerretsen:** Mr Speaker, I just want the record to be clear that my comments with respect to the islanders were in relation to what Mr Curling was talking about, about how the seniors and the people in public housing were being dealt with. I have all the respect in the world for the islanders.

**The Speaker:** Questions or statements? There being none, the member for Scarborough East has two minutes. No? Further debate; the member for Yorkview.

**Mr Sergio:** Mr Speaker, I wonder if I should begin to debate, seeing the hour. I don't mind. It's up to you.

**The Speaker:** You'll be the first on when we call the bill again.

It being almost 6 of the clock, this House stands adjourned until 10 of the clock tomorrow morning.

*The House adjourned at 1758.*



**LEGISLATIVE ASSEMBLY OF ONTARIO  
ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO**

Lieutenant Governor / Lieutenant-gouverneur: Lt Col The Hon / L'hon Henry N.R. Jackman CM, KStJ, BA, LLB, LLD  
 Speaker / Président: Hon / L'hon Allan K. McLean  
 Clerk / Greffier: Claude L. DesRosiers  
 Senior Clerk Assistant and Clerk of Journals / Greffier adjoint principal et Greffier des journaux: Alex D. McFedries  
 Clerk Assistant and Clerk of Committees / Greffière adjointe et Greffière des comités: Deborah Deller

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|---------------------------------|--|--|--|
| Algoma                          | Wildman, Bud (ND) Interim leader of the New Democratic Party / Chef par intérim du Nouveau Parti démocratique  | Hamilton West / -Ouest                             | Ross, Lillian (PC)   |
| Algoma-Manitoulin               | Brown, Michael A. (L)  | Hastings-Peterborough                              | Danford, Harry (PC)  |
| Beaches-Woodbine                | Lankin, Frances (ND)   | High Park-Swansea                                  | Shea, Derwyn (PC)  |
| Brampton North / -Nord          | Spina, Joseph (PC)   | Huron  | Johns, Helen (PC)  |
| Brampton South / -Sud           | Clement, Tony (PC)   | Kenora   | Miclash, Frank (L)   |
| Brant-Haldimand                 | Preston, Peter L. (PC)   | Kingston and The Islands /<br>Kingston et Les îles | Gerretsen, John (L)  |
| Brantford                       | Johnson, Ron (PC)  | Kitchener  | Wettlaufer, Wayne (PC)   |
| Bruce                           | Fisher, Barb (PC)  | Kitchener-Wilmot                                   | Leadston, Gary L. (PC)   |
| Burlington South / -Sud         | <b>Jackson, Hon / L'hon Cameron (PC)</b> Minister without Portfolio (Workers' Compensation Board) / ministre sans portefeuille, ministre responsable de la Commission des accidents du travail | Lake Nipigon / Lac-Nipigon                         | Pouliot, Gilles (ND)   |
|                                 | Martiniuk, Gerry (PC)  | Lambton  | Beaubien, Marcel (PC)  |
| Cambridge                       | <b>Sterling, Hon / L'hon Norman W. (PC)</b> Minister of Consumer and Commercial Relations / ministre de la Consommation et du Commerce   | Lanark-Renfrew                                     | Jordan, Leo (PC)   |
| Carleton                        | Morin, Gilles E. (L)   | Lawrence   | Cordiano, Joseph (L)   |
|                                 | Carroll, Jack (PC)   | Leeds-Grenville                                    | <b>Runciman, Hon / L'hon Robert W. (PC)</b> Solicitor General and Minister of Correctional Services / solliciteur général et ministre des Services correctionnels  |
| Carleton East / -Est            | Wood, Len (ND)   | Lincoln  | Sheehan, Frank (PC)  |
| Chatham-Kent                    | Bisson, Gilles (ND)  | London Centre / -Centre                            | Boyd, Marion (ND)  |
| Cochrane North / -Nord          | Cleary, John C. (L)  | London North / -Nord                               | <b>Cunningham, Hon / L'hon Dianne (PC)</b> Minister of Intergovernmental Affairs, minister responsible for women's issues / ministre des Affaires intergouvernementales, ministre déléguée à la Condition féminine |
| Cochrane South / -Sud           | <b>Johnson, Hon / L'hon David (PC)</b> Chair of the Management Board of Cabinet / président du Conseil de gestion  |  | Wood, Bob (PC)   |
| Cornwall                        | Silipo, Tony (ND)  | London South / -Sud                                | <b>Tsubouchi, Hon / L'hon David H. (PC)</b> Minister of Community and Social Services / ministre des Services sociaux et communautaires  |
| Don Mills                       | Castrilli, Annamaria (L)   | Markham  | Smith, Bruce (PC)  |
| Dovercourt                      | Tilson, David (PC)   |  | DeFaria, Carl (PC)   |
| Downsview                       | Flaherty, Jim (PC)   | Middlesex  | <b>Snobelen, Hon / L'hon John (PC)</b> Minister of Education and Training / ministère de l'Éducation et de la Formation  |
| Dufferin-Peel                   | O'Toole, John R. (PC)  | Mississauga East / -Est                            | Marland, Margaret (PC)   |
| Durham Centre / -Centre         | Ecker, Janet (PC)  | Mississauga North / -Nord                          | Sampson, Rob (PC)  |
| Durham East / -Est              | Munro, Julia (PC)  |  | Grimmett, Bill (PC)  |
| Durham West / -Ouest            | <b>Saunderson, Hon / L'hon William (PC)</b> Minister of Economic Development, Trade and Tourism / ministre du Développement économique, du Commerce et du Tourisme                             | Mississauga South / -Sud                           |  |
| Durham-York                     | North, Peter (Ind)   | Mississauga West / -Ouest                          |  |
| Eglinton                        | Hoy, Pat (L)   | Muskoka-Georgian Bay /<br>Muskoka-Baie-Georgienne  | Baird, John R. (PC)  |
| Elgin                           | Crozier, Bruce (L)   | Nepean   | Maves, Bart (PC)   |
| Essex-Kent                      | Ford, Douglas B. (PC)  | Niagara Falls                                      | Hudak, Tim (PC)  |
| Essex South / -Sud              | Kells, Morley (PC)   | Niagara South / -Sud                               | Laughren, Floyd (ND)   |
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| Etobicoke-Lakeshore             | Stockwell, Chris (PC)  | Nipissing  | Barrett, Toby (PC)   |
| Etobicoke-Rexdale               | McLeod, Lyn (L) Leader of the Opposition / chef de l'opposition  |  | Galt, Doug (PC)  |
| Etobicoke West / -Ouest         | Marchese, Rosario (ND)   | Norfolk  | Carr, Gary (PC)  |
| Fort William                    | Vankoughnet, Bill (PC)   | Northumberland                                     | Colle, Mike (L)  |
|                                 | Murdoch, Bill (PC)   | Oakville South / -Sud                              | Caplan, Elinor (L)   |
| Fort York                       | <b>Elliott, Hon / L'hon Brenda (PC)</b> Minister of Environment and Energy / ministre de l'Environnement et de l'Énergie   | Oakwood  | Ouellette, Jerry J. (PC)   |
| Frontenac-Addington             | Young, Terence H. (PC)   | Oriole   | Patten, Richard (L)  |
| Grey-Owen Sound                 | Chudleigh, Ted (PC)  | Oshawa   | Grandmaître, Bernard (L)   |
| Guelph                          | Christopherson, David (ND)   | Ottawa Centre / -Centre                            | Guzzo, Garry J. (PC)   |
|                                 | Agostino, Dominic (L)  | Ottawa East / -Est                                 | McGuinty, Dalton (L)   |
| Halton Centre / -Centre         | Pettit, Trevor (PC)  | Ottawa-Rideau                                      | Chiarelli, Robert (L)  |
| Halton North / -Nord            |  | Ottawa South / -Sud                                | Hardeman, Emie (PC)  |
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| Hamilton East / -Est            |  | Oxford   |  |
| Hamilton Mountain               |  | Parkdale   |  |



| Constituency<br>Circonscription  | Member/Party<br>Député(e) / Parti  | Constituency<br>Circonscription | Member/Party<br>Député(e) / Parti  |
|--|--|---------------------------------|--|
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| Perth  | Johnson, Bert (PC)   | Scarborough West / -Ouest       | Brown, Jim (PC)  |
| Peterborough   | Stewart, R. Gary (PC)  | Simcoe Centre / -Centre         | Tascona, Joseph N. (PC)  |
| Port Arthur  | Gravelle, Michael (L)  | Simcoe East / -Est              | <b>McLean, Hon / L'hon Allan K.</b> (PC) Speaker / Président   |
| Prescott and Russell /<br>Prescott et Russell                                      | Lalonde, Jean-Marc (L)   | Simcoe West / -Ouest            | <b>Wilson, Hon / L'hon Jim</b> (PC) Minister of Health / ministre de la Santé  |
| Prince Edward-Lennox-<br>South Hastings /<br>Prince Edward-Lennox-<br>Hastings-Sud | Fox, Gary (PC)   | Sudbury                         | Bartolucci, Rick (L)   |
| Quinte   | Rollins, E.J. Douglas (PC)   | Sudbury East / -Est             | Martel, Shelley (ND)   |
| Rainy River  | Hampton, Howard (ND)   | Timiskaming                     | Ramsay, David (L)  |
| Renfrew North / -Nord  | Conway, Sean G. (L)  | Victoria-Haliburton             | <b>Hodgson, Hon / L'hon Chris</b> (PC) Minister of Natural Resources, Minister of Northern Development and Mines / ministre des Richesses naturelles, ministre du Développement du Nord et des Mines |
| Riverdale  | Churley, Marilyn (ND)  | Waterloo North / -Nord          | <b>Witmer, Hon / L'hon Elizabeth</b> (PC) Minister of Labour / ministre du Travail   |
| S-D-G & East Grenville /<br>S-D-G et Grenville-Est                                 | <b>Villeneuve, Hon / L'hon Noble</b> (PC) Minister of Agriculture, Food and Rural Affairs, minister responsible for francophone affairs / ministre de l'Agriculture, de l'Alimentation et des Affaires rurales, ministre délégué aux Affaires francophones | Welland-Thorold                 | Kormos, Peter (ND)   |
| St Andrew-St Patrick   | Bassett, Isabel (PC)   | Wellington                      | Amott, Ted (PC)  |
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| St Catharines-Brock  | Froese, Tom (PC)   | Wentworth North / -Nord         | Skarica, Toni (PC)   |
| St George-St David   | <b>Leach, Hon / L'hon Al</b> (PC) Minister of Municipal Affairs and Housing / ministre des Affaires municipales et du Logement   | Willowdale                      | <b>Harnick, Hon / L'hon Charles</b> (PC) Attorney General, minister responsible for native affairs / procureur général, ministre délégué aux Affaires autochtones                                    |
| Samia  | Boushy, Dave (PC)  | Wilson Heights                  | Kwinter, Monte (L)   |
| Sault Ste Marie /<br>Sault-Sainte-Marie  | Martin, Tony (ND)  | Windsor-Riverside               | Cooke, David S. (ND)   |
| Scarborough-Agincourt  | Phillips, Gerry (L)  | Windsor-Sandwich                | Pupatello, Sandra (L)  |
| Scarborough Centre / -Centre   | Newman, Dan (PC)   | Windsor-Walkerville             | Duncan, Dwight (L)   |
| Scarborough East / -Est  | Gilchrist, Steve (PC)  | York Centre / -Centre           | <b>Palladini, Hon / L'hon Al</b> (PC) Minister of Transportation / ministre des Transports   |
| Scarborough-Ellesmere  | <b>Mushinski, Hon / L'hon Marilyn</b> (PC) Minister of Citizenship, Culture and Recreation / ministre des Affaires civiques, de la Culture et des Loisirs  | York East / -Est                | Parker, John L. (PC)   |
|  |  | York Mills                      | Tumbull, David (PC)  |
|  |  | York-Mackenzie                  | Klees, Frank (PC)  |
|  |  | Yorkview                        | Sergio, Mario (L)  |
|  |  | York South / -Sud               | Vacant   |

A list arranged by members' surnames and including all responsibilities of each member appears in the first and last issues of each session and on the first Monday of each month.

Une liste alphabétique des noms des députés, comprenant toutes les responsabilités de chaque député, figure dans les premier et dernier numéros de chaque session et le premier lundi de chaque mois.



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Vice-Chair / Vice-Président: Bart Maves  
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Bernard Grandmaître, Ernie Hardeman, Morley Kells,  
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Len Wood, Terence H. Young  
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**Government agencies / Organismes gouvernementaux**

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Dan Newman, Peter L. Preston, Lillian Ross, Bob Wood  
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**Legislative Assembly / Assemblée législative**

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Vice-Chair / Vice-Président: John Hastings  
Ted Arnott, Rick Bartolucci, Dave Boushy, David S. Cooke,  
Carl DeFaria, Tom Froese, Bill Grimmett, John Hastings,  
Ron Johnson, Frank Miclash, Gilles E. Morin,  
John R. O'Toole, Tony Silipo, R. Gary Stewart  
Clerk / Greffière: Lisa Freedman

**Ombudsman**

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Jean-Marc Lalonde, Rosario Marchese, John L. Parker,  
Chris Stockwell, Bill Vankoughnet, Len Wood  
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Gary Carr, Mike Colle, Bruce Crozier, Gary Fox,  
Steve Gilchrist, John Hastings, Shelley Martel,  
Dalton McGuinty, Gilles Pouliot, Toni Skarica,  
Bill Vankoughnet  
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**Regulations and private bills /  
Règlements et projets de loi privés**

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Vice-Chair / Vice-Président: Bruce Smith  
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John R. O'Toole, Trevor Pettit, Gilles Pouliot,  
Sandra Papatello, E.J. Douglas Rollins, Tony Ruprecht,  
Mario Sergio, Derwyn Shea, Frank Sheehan, Bruce Smith  
Clerk / Greffière: Lisa Freedman

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Développement des ressources**

Chair / Président: Steve Gilchrist  
Vice-Chair / Vice-Présidente: Barbara Fisher  
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Ted Chudleigh, Marilyn Churley, Dwight Duncan,  
Barbara Fisher, Steve Gilchrist, Pat Hoy,  
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Michael Gravelle, Helen Johns, Leo Jordan,  
Floyd Laughren, Julia Munro, Dan Newman,  
Richard Patten, Trevor Pettit, Peter L. Preston,  
Bruce Smith, Bud Wildman  
Clerk / Greffière: Lynn Mellor



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First Session, 36th Parliament

## Assemblée législative de l'Ontario

Première session, 36<sup>e</sup> législature

# Official Report of Debates (Hansard)

Thursday 2 May 1996

# Journal des débats (Hansard)

Jeudi 2 mai 1996



Speaker  
Honourable Allan K. McLean

Clerk  
Claude L. DesRosiers

Président  
L'honorable Allan K. McLean

Greffier  
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# LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday 2 May 1996

# ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

Jeudi 2 mai 1996

*The House met at 1003.  
Prayers.*

## PRIVATE MEMBERS' PUBLIC BUSINESS

### ONTARIO PUBLIC SERVICE

Mr Clement moved private member's notice of motion number 16:

That in the opinion of this House, since Ontarians are entitled to high levels of service from the public sector; and

Since Ontarians sent a clear message in the June election that the status quo is not acceptable and called for a government committed to driving substantive reforms in the delivery of public services; and

Since the Progressive Conservative government has already taken steps to respond to this message by reviewing all public expenditures; and

Since it is important that this process does not neglect the needs of Ontarians and should include the establishment of guiding principles within the public service that will ensure that it is responsive to the public's expectations;

Therefore, in order to provide Ontarians with a better, more accountable and more responsive public service, the Chair of the Management Board should investigate the establishment of a mechanism to ensure that the following principles and standards are adopted by the government of Ontario:

(a) Measurable standards need to be established whereby the public as consumers of public services can assess how services are delivered on a regular basis;

(b) Information needs to be readily available to the public that will allow them to understand what services cost, who is in charge and how they can benefit from the service;

(c) The public must be consulted on a regular basis to ensure that the service is still achieving its desired objectives and continues to be a service which the public sector should be providing;

(d) The public's needs must be paramount in determining how to deliver a service;

(e) The public must be treated equally and with dignity and respect;

(f) The public must have access to a system of redress whereby the government must accept the responsibility for the delivery of services in an appropriate manner; and

(g) The taxpayer must be protected by ensuring that government services are delivered in an efficient and economic manner within the context of the existing fiscal environment.

**The Acting Speaker (Mr Gilles E. Morin):** Pursuant to standing order 96(c)(i), the honourable member has 10 minutes for his presentation.

**Mr Tony Clement (Brampton South):** Thank you for the opportunity to speak to this resolution.

I mean no disrespect to the government or members of the public service when I say that the manner in which government services are delivered in this province is sometimes problematic. What I mean by that is this: As members, I'm sure we have heard over the term of our office that perhaps there are numerous examples where constituents of ours have spent far too much time in lineups; the government itself provides services using outdated delivery methods; there seem to be at times instances where changes in format or delivery of those services seem to occur without rhyme or reason. There are lots of examples of those sorts of situations that we have all faced and have had to try to resolve as members of the Legislature.

In my opinion, the system lacks a comprehensive and coherent set of guiding principles and standards which can be used by the public themselves to measure the effectiveness of the public service and to ensure that the public service is achieving the desired objectives, the objectives we all hold dear. At times the public does not know what it can reasonably expect from the public service, and the public service itself, if I may speak in its defence, lacks the tools to ensure it is providing citizens with the proper type of service, with the service the public demands.

Just as we heard on June 8, in the last election, Ontarians are demanding a better system. The status quo is not acceptable. We as a government and we as members of the Legislature—it's not only the government; it's all of us as representatives of our respective ridings—must drive some substantive changes at the core of government and change the way the public service at times functions. By supporting my resolution, I believe this House will be sending a clear message to Ontarians that it is their government and that we are making the attempt to make the system more responsive and accountable to them.

If I may be permitted then to take each proposal one at a time, item (a) refers to standards. I believe there is nothing wrong in saying that our government must be engaged in businesslike productivity. That drive must be on a massive scale. We're a large organization delivering very essential services to the public. We have to do so in a way that has measurable standards. Measurable and appropriate standards, once they are put in place, can guarantee, I believe, to a greater extent than right now, superior service.



I would like to offer members of the Legislature some examples of what these standards might entail: standards of courtesy, standards of helpfulness, standards of accuracy, standards of the assurance of privacy and confidentiality, and an upfront commitment to prompt action. For instance, waiting times should be reduced and should be set out. Those are the types of standards that a lot of businesses in Ontario have to live with, day in, day out, in order to accomplish their goals of service, productivity and growth in their own business, and I think it is right to apply those standards and to meet the expectations for those standards in the public service.

1010

Secondly, information: I believe there should be no secrets about how the bureaucracy operates in the province of Ontario. We must be able to set out for the public the cost of delivery of those specific services so that people know how their taxpayers' dollars are spent, and they can assist in the public policy discussion and the judgement as to whether those tax dollars are spent wisely or unwisely. I believe we need full and accurate information to be made readily available, in plain language, to the public in different forms; for instance, Braille, audio-video tape, different languages that the public uses, mother tongues. Those are the sorts of things that can make a difference in the everyday lives of many people who rely on government services.

I believe those standards of any particular department in the government must be made available and that department must also be able to demonstrate on a regular basis how it is performing against those standards. It's what is called benchmarking, and the idea is that we all have to be measured against some standards.

In item (c) I talked about a form of consultation with the public and that the public service must be responsive to a changing environment, and the only way to do that is to allow for consultation with Ontarians on a regular basis. Users' views about services that they use on a regular basis should be sought regularly and systematically to inform decisions about what services should be provided and what services should not be, and how those services that are to be provided should be delivered.

We cannot allow services to be entrenched in our system simply because they were done in the past. I've heard that argument so many times when dealing with certain aspects of public service, not from all members of the public service, but from some people the answer seems to be, "Well, that's the way we've always done it." I don't think that's good enough any more for the citizens of Ontario. We must explore other means of delivering those services—outsourcing, privatization—or better delivery within the public service as well.

In item (d) I talked about the public's needs. It's the end user, the public, who should determine what those needs are. The lifestyles, the schedules, the mobility of Ontarians themselves must be considered when setting up and updating delivery mechanisms. As an example I offer to this House, we must consider how late and how many days a week driver's licence renewing offices need to be open to allow working people adequate access to those services. That's the sort of thing Ontarians, with their varying lifestyles, now need from our public service.

Item (e) refers of course to non-discrimination, that all citizens must be treated equally with dignity and respect and that service providers must make every reasonable effort to accommodate the needs of Ontarians.

Item (f) is redress. I would say as a matter of principle that Ontarians are entitled to an apology if things go wrong and a good explanation of why they went wrong. How many times have we heard that the hours of a particular public service office are from 8:30 to 4:30; a constituent shows up at 4 o'clock and, for reasons that are not evident, the office is closed. There might be a perfectly good explanation why that has happened, but I believe that Ontarian deserves, firstly, an apology that the stated hours have not been met, an explanation as to why those hours have not been met, and then an expectation: Is that going to occur in the future or are we thinking of ways to ensure it does not happen again? That is what I mean by redress.

Finally, we must consider the fiscal climate. We cannot spend haphazardly. We must keep in mind the limits that the current situation imposes upon us. Taxpayers must be guaranteed that their money will be used efficiently and appropriately.

If I can conclude, the principles and standards which this resolution calls the Chair of the Management Board to investigate will allow us to contemplate a wide range of mechanisms when improving the public service. These can include but are not limited to privatization, more competition, contracting out, performance-related pay or perhaps in some cases, more resources into the public service to ensure that the job is done properly for the people of Ontario.

In the long run, I would like to see specific criteria established for health care, the police, education, housing and so on to ensure that Ontarians are able to hold the public service accountable by scrutinizing its performance against the public and understandable principles and standards which I outlined.

It is ambitious. When the project takes hold, people will find themselves less frustrated when dealing with the civil service and with government and will be able to reclaim the public system as their own. Thank you for this opportunity to speak to my resolution.

**Mr Gerry Phillips (Scarborough-Agincourt):** I am pleased to join in the debate and to say I support the thrust of this resolution very much. My background is, like many, from the private sector, and certainly in the businesses I've been involved in we did set some very specific goals and we measured ourselves on a constant basis against that.

Probably the first test of this will occur on Tuesday when the budget's presented. There was quite a comprehensive report called the Ontario Financial Review Commission report, *Beyond the Numbers: A New Financial Management and Accountability Framework for Ontario*, which is really what we're talking about, accountability. It was a commission that was appointed by the new government. A group of people who are extremely competent made the recommendations and it was tabled, given to the government on November 20.

I think the first thing we will look at, and I assume that other members will, is to what extent those recom-



mendations were incorporated in the budget, because their recommendations very much mirror what the member's resolution talks about. It says:

"This report presents a new framework for better use of resources throughout the public sector. It will move government from its current process orientation to a performance orientation. It lays out a cycle of planning, reporting, monitoring and evaluating," etc.

I thought it was a pretty good report actually. So I think, for all of us, we will look Tuesday at the budget and ask, to what extent did it incorporate those recommendations? If the government members feel strongly about the thrust of the resolution by the member, I think your first responsibility is to hold your own government accountable. On Tuesday, I would suggest to you, take this report with you and evaluate the budget presentation against it, because it incorporates many of the recommendations that are laid out in this resolution.

To be candid with the members, I frankly have been very disappointed in the lack of information from this government. It's the first time since I've been in opposition that I have not been able to get from the government what's called a medium-term fiscal outlook, a look at where we are going over the next three years on revenue and on expenditures. The only number we get is the deficit number. This report from a blue ribbon committee is very specific and it says that the budget has to outline the revenue, expenditure and economic projections for the upcoming year and the following two years, and it goes on to outline the various things that have to be in the budget for it to provide this accountability framework.

I raise this because I think the backbench members can have a significant influence on the way the cabinet responds to your wishes. I would first urge you all to get this report—the Chair of our economics committee is sitting beside the member; he will know the report—read it and judge the budget on Tuesday on how well it performs against that.

The second thing I'd say is that, without doubt, our public sector has to be held accountable. I would say, however, that the government perhaps wasn't aware of the structure of the public structure or, for whatever reason, wasn't clear on the numbers in the public sector. I raise this because, if you recall, when you ran in the campaign, you said, "We're going to get the bloated public service back to 1985 levels." In fact, I think in your bible, the Common Sense Revolution, which I carry around, of course, with me all the time, it says, "We will trim the cost of the direct provincial government workforce by 15%—the equivalent of some 13,000 employees, returning the system to the approximate size it was in 1985." In other words, we've got to get rid of this bloated bureaucracy.

1020

You now know that the numbers in the Common Sense Revolution weren't the facts. As a matter of fact, in 1985, before the bloated bureaucracy, the number of public sector employees was 81,000. On March 31, 1995, 10 years later, the number of public servants was 81,251. Essentially, the public sector when you took office was exactly the size it was 10 years ago, in 1985. So I know

it's publicly very popular to talk about the bloated bureaucracy—

**Mr Ted Chudleigh (Halton North):** Another promise kept.

**Mr Phillips:** The member says, "Another promise kept." It was another false promise. Frankly, you ran on something politically very popular that was, dare I say, not true, and you knew that. You knew the public service was the same size as it was in 1985, but it's very good politics to say: "We've got to get the public sector trimmed down, the bloated bureaucracy. They're all over there doing nothing."

**Mr Mario Sergio (Yorkview):** It sounded good.

**Mr Phillips:** It sounded good, but it was not true. The bureaucracy was exactly the same size when you came into office as it was 10 years ago. Those aren't my numbers; they're your numbers.

*Interjections.*

**The Acting Speaker:** Order.

**Mr Phillips:** Thank you, Mr Speaker. I know they don't like to hear this, but it's the truth.

Also, I know you ran on a platform of law and order. That is, frankly, politically very popular too. But I will say this. Even though the bureaucracy, the public service, over that 10-year period was exactly the same size, 5,000 more people were in law enforcement and 5,000 fewer people in all the other areas of government. So where was the big bloating in the bureaucracy? It was where I gather you believe it should be, and that is law enforcement, OPP, correctional services, our court systems.

I raise those things just because it is, I know, politically easy to attack the public sector; I know that. You've been very successful at it. I very much support the need for some clear standards and I will be supporting the motion, but I simply say, let's be careful that we don't blame the people delivering the service and that we hold ourselves accountable. It is us who will determine what services we want.

When I say "us," that exaggerates my own importance; it will be the government that determines it, and we'll observe it. It will be the government that sets these standards, and frankly I very much look forward to you setting the standards and I very much look forward to hopefully those standards being ones we can support, and then I look forward to holding you accountable for the quality of health care, the quality of education, the quality of our communities, our quality of life, our standard of life, our social infrastructure, because in the end that's what we're all about.

So I don't have a problem supporting the thrust of the motion and look forward, as I say, to those standards.

**Mr Tony Martin (Sault Ste Marie):** I as well appreciate the opportunity this morning to speak to this piece of work put forward by the member across the way. I want to say that I find it very difficult to get excited about it, although I suppose at the end of the day our party will probably support it as well, in that there's nothing in here that I think anybody in this House disagrees with.

The only troubling part of it is that it is being presented by a government that so obviously doesn't believe in government. I find it, yes, consistent in some ways, and I'll explain that in a minute, but I also, with consist-



ent, find it quite hypocritical, cynical and in fact quite disrespectful of the people of Ontario, of the process that government is supposed to be in Ontario in 1996 and of this place.

It's consistent because it flows from what I saw as a very bully-boy type approach to business by government in this province, beginning with the announcement in July of a 22% cut in the take-home pay to the poorest in the province. It was akin to, in my mind, a school yard where the bully walks in, picks out two or three of the smallest kids, pummels the heck out of them and then says, "Okay, now I'm in charge," and that sends out the message. It sets the tone and it creates the environment. Then, after you've done that and after you've got everybody shaking in their boots, you bring them all together and you say, "Okay, let's sit down now and talk about the rules that will apply in this yard." That's exactly what you've done and it's exactly what you're doing here, and I suggest to you that it is, as I said, cynical, it's hypocritical and it's disrespectful. However, as I say, it is consistent.

You have shown both by what you've said in the Common Sense Revolution, what you've done since the election and what you propose to do, I suspect, in the budget that's coming down next week that you don't believe in government, that you believe government should play a smaller and smaller role and that the private sector out there should be in control, the private sector whose sole focus—I don't criticize them at all for this, because they know and we know what it's about—is the bottom line and making profits. Government in a civilized society, in a modern society, has a fundamental role to play in the development of an economy and in protecting people's rights and the development of the health of a jurisdiction, and you haven't done that.

Our party certainly believes Ontarians are entitled to high levels of service from the public sector, but the threat to delivery of any services at all, let alone high levels, comes in this instance and in this day in Ontario clearly and solely from the government benches. This government is slashing billions of dollars from public services and laying off tens of thousands of workers in the Ontario public service and the broader public service, and you suggest that in that climate somehow or other we should set some standards and begin to talk about performance objectives? To cause such unprecedented damage and then offer a slick resolution in favour of high levels of public service sets new standards for unmitigated gall, beating out the famous case of a person who axes his father and mother, then asks for mercy as a poor orphan.

Virtually from the day Mike Harris became Premier, this government has defined itself with its attacks on public employees, public services and the poor in the province. In the campaign, the Tories may even have lured some government workers into voting for them, like lambs to the slaughter. Here's what the Common Sense Revolution says: "The Ontario Public Service Employees Union has developed several commonsense proposals for ending waste and duplication. We will work with government employees, listening to their ideas and eliciting their help in taking action."

Is that what you were doing when you brought the police in here and started to bang heads on that infamous day of a few weeks ago? Instead, the government opted for confrontation with its workers and their unions.

In Bill 7, the Harris government abolished successor rights for Ontario public service employees, taking away a right enjoyed by every other unionized worker, public and private sector.

In Bill 26, the government stripped away pension rights enjoyed by all other workers in Ontario. After tying one of the union's hands behind its back, the government provoked a strike and was astonished that the workers didn't collapse.

#### *Interjections.*

**The Acting Speaker:** The member for Sault Ste Marie has the floor.

**Mr Martin:** It took a completely unnecessary and wasteful five-week work stoppage before the government relented and agreed to a fair deal.

Then there are the cuts to jobs and spending, and I could go on and on with the examples of disrespect and misunderstanding this government has for the role that government and the public service play in a modern, civilized society in 1996.

To bring this piece of work forward today is a cynical approach. Even though we may at the end of the day support it because everything in it is motherhood, the fact that you're bringing it forward makes it very much distasteful.

1030

**Mr Doug Galt (Northumberland):** It is indeed a pleasure for me to be able to respond to the resolution of the honourable member for Brampton South.

The Ontario public service has tried on two previous occasions in recent years to reform our customer service. The Tomorrow project was initiated under the Liberals in 1989. Sponsorship for the program rested with the senior civil servants rather than with the ministers, and possibly this was a mistake in that effort.

A separate committee was then struck to examine customer service. Later, presentations were made to the government's policy and priorities board, and these were endorsed for the New Directions.

After the surprise defeat of the Liberals in 1990, the NDP established the Customer Service Task Force. This task force then launched an ambitious research project. The overall findings were that the public rated every service provider, including banks, department stores, even the post office, at a higher level than the Ontario public service was providing. The only exception that was lower than the Ontario public service was the service received by the federal government. Only one in five felt they were getting good value for tax dollars. As mentioned earlier, the status quo is not satisfactory.

The report identified a very significant service quality gap in the public's perception. The NDP government showed little interest in the Tomorrow project but gave some support to its own Customer Service Task Force recommendations. Although some specific recommendations of the Customer Service Task Force were acted on, a strong strategic direction did not emerge from this exercise. Many of these initiatives were window dressing



such as the Amethyst Award and Customer Service Week. The Clearing the Path project of MCCR is one of the few successes that emerged from that process. This has been adopted and enhanced by our government.

In the past, it seemed to have been the policy was to throw money at any problem, and that was the case with these previous projects.

We believe that major changes that flow from restructuring and spending reductions will also provide an opportunity to improve the delivery of public services. In fact, improved customer service should be viewed as a means to control costs within government. Premier Harris has already asked senior bureaucrats to energetically pursue new models for service delivery.

Our government has also indicated that, as it reduces costs, it will move to reduce internal duplication, offer one-stop access to services and improve delivery. By adopting a doing-it-right-the-first-time strategy, customer service/quality improvement has led to operational efficiencies in many companies. In fact, some studies have shown that poor customer service and ineffective customer communications cause up to one third of the entire workload of an organization.

We recognize that service sloppiness steals from the bottom line. Therefore, the potential payoff from service excellence within the Ontario public service is considerable, both in giving the public better service and in reduced costs. With service excellence, everyone wins: The customer wins, the employees win, management wins, the community wins, the Ontario government wins and the taxpayers of Ontario win.

While it appears that mediocre service in the Ontario public service is common, this is definitely not a given. In many ministries we have examples of departments delivering superb service. We must analyse these examples, build on them and find ways to make them work across the Ontario public service. A mistake that the two previous governments made was trying to drive the process from above at the deputy ministry level without involving ministerial buy-ins. The real key to creating a genuine customer service focus is indeed leadership—leadership that offers direction, that offers the means, that offers the inspiration to sustain committed service in the Ontario public service.

At the same time, customers and employees must be consulted and allowed to give their input. We must recognize that in any service organization the customer must come first. After the customer, then comes the first-line manager, then comes the senior management, and finally in our case would come the Ontario government.

I've often asked educators who is the most important in their system, and invariably they tell me that the teachers are the most important in the educational system, and they're dead wrong. The most important people in the educational system are the students. The students are the most important and the students come ahead of the teachers. Without students there'd be no teachers. Then come the principals, then the superintendents and directors and finally the board of education. When we forget and lose track that the students are the most important or that our customers are the most important, then we've lost everything. Within the Ontario public service, the

pyramid has been inverted for far too long, with the civil servants focused on pleasing the boss instead of the customer.

We must develop a new vision for customer service. It is a strategic goal. A customer bill of rights is a good starting point for vision-building, but the process of change must also take place on the front line. Customers should be asked what their expectations are. Employees should be asked to identify ways to improve customer service. Who is better qualified? Often cost savings and operational efficiencies are identified by the front line in many companies. Employees must be rewarded for finding ways to improve service delivery and meet customer needs. Far too long we've had a reverse reward system in government and in many other organizations. We ask for one thing but we reward for something else, and it's time that we change our reverse reward system that so often occurs.

We are committed to providing the people of Ontario with a smaller government that costs less and does a better job. Successful implementation of a service quality initiative will play a key role in shaping the Ontario public service into a customer-driven organization. It is dependent on having a vision. A strategic plan establishing a customer bill of rights is a step in the right direction and one that I endorse.

It is also necessary to involve employees and involve management in the process and constantly ask what it is that the customer needs and what it is that the customer wants. When customer needs are identified, the government must respond quickly by redesigning services to meet any change in requirement. That is how a successful customer service program is built and sustained. In today's environment, customers expect no less from private sector companies. We, as the public sector, can't afford to be any different.

**Mr Sergio:** I'm delighted to join the discussion on this particular motherhood or fatherhood issue this morning brought by the government side. I'm quite pleased indeed to join the member for Brampton South in the discussion and the rest of the members.

I would call this an act of contrition from the government side, and it's quite interesting that this comes—I should say, what a difference a few months make. If I could remind the government side, this is the total opposite of what they said they were going to deliver during the election and what the public is getting now after the election.

But I don't want to embarrass any of the government-side members with some rhetoric, because I think they will be doing that for themselves. What they are presenting to us today, this will be brought to their attention on a daily basis so that the people of Ontario will be reminded that they were elected to deliver exactly what they are proposing here today and nothing less. But unfortunately, what we are seeing is a total about-face.

1040

When we are telling the people of Ontario and we are telling those who are serving the people of Ontario that they expect accountability, fairness, justice, delivery of services on time, availability of information on time, I have to say to the members of the House that this comes



first with you people; this comes first with the direction and the leadership that the government gives to those people.

Should I dare say that yesterday we saw an example of that leadership and that direction, and of the service the public of Ontario is entitled to expect from the government and its members, every elected member? We have seen yesterday that in the quest of privatizing service, the people of Ontario would have been stuck, if you will, with giving up a very important portion of health service to an American company, a disreputable company, I should say. This is exactly what this resolution or this bill proposes to do, to give the people of Ontario what they should be entitled to get on a fair share basis. It is not what the people of Ontario are getting from the government of the day.

I'm pleased indeed to say, not as the government side says, I am going to support this in principle, but this is a famous line and I'm going to use that time and time over. But today, for the sake of discussion on this particular item here, I will support this resolution. I'm delighted to support this resolution, not in principle but in fact because this is exactly the gospel that I think the government side should be attaining itself on a daily basis.

I think the public is entitled to know what actions the government or the Minister of Health are going to be taking with respect to those bureaucrats from which the interests of the people, the service, accountability, was expected. Isn't that nice that on something of such importance, a dialysis clinic, some bureaucrats knew three months ago that there were problems with this particular company. Wasn't it brought to the attention of the government or the minister?

**Mr Michael A. Brown (Algoma-Manitoulin):** I don't believe it.

**Mr Sergio:** We don't believe it either. I don't think they themselves believe it. But we are told that the minister, his own staff, the government—let me tell you that something like that is not an issue that you make a decision in 24 hours; it is based on a period of time. I wouldn't be surprised if the Premier knew about it and didn't do anything about it, and the Minister of Health knew about it and he didn't do anything about it. They would, but for the opposition, have given a contract to provide dialysis service to an American company that is being disgraced in its own place.

I am delighted to support this resolution here, but let me remind the members on the government side that this is according to their own gospel and it's one document by which you will have to abide, on which you have to deliver and for which you have to be accountable to the people of Ontario. On your own document here, on page 7, it says: "We will not cut health care spending. It's far too important." Isn't that nice, that from the government side on a daily basis we see all the cuts to service that are being given to the people of Ontario.

*Interjections.*

**Mr Sergio:** Mr Speaker, they don't like the truth, you see. You have to wait because you have to give an account to the people of Ontario.

On page 8 of their own Bible, they say, "Classroom funding for education will be guaranteed." Do they know

how many millions of dollars they have cut which affects the education in the classroom? This comes from their bible.

**The Acting Speaker:** Thank you. Time has expired.

**Mr Len Wood (Cochrane North):** It gives me pleasure to be able to make some comments on the private member's resolution from the member for Brampton South on the notice of motion.

There are a lot of things that have been spelled out and I've looked at the resolution, section (c), section (d), section (e), section (f), where the public must have access, the public must be consulted. I know this might be the member's own personal feelings, but it's quite obvious from reading this resolution and hearing the comments today that this member has very little influence on what is happening within his own Tory caucus and within cabinet, because what he is saying in this particular resolution is completely contrary to what is happening out there.

Last July they slashed \$1.9 billion and 20% of the welfare cheques. In November, another \$6 billion was announced including slashing to hospitals, classroom education, and other areas that the Tories had promised during the election campaign they would not touch, these services would be protected. You cut funding to hospitals, to classroom education and thousands of notices have gone out to teachers who have been notified that they're going to be laid off. Teachers are telling me they're going to be reduced to crowd control in the classroom. The Conservative government has no control over what is happening out there.

They've also chopped 10,000 jobs from the public sector. In northern Ontario, the cuts they've done to the Ministry of Natural Resources, Ministry of Environment, Ministry of Agriculture—it's got to be some kind of a joke when the Harris government is saying it's interested in high levels of service at the same time as it's decimating the public sector. I'm sure there are government employees who are out there listening today to what is being discussed in this resolution, saying: "Yes, we'd like to have what the member for Brampton South has put in his resolution. We'd like to have public consultation and public input, but it's a joke." It's not happening.

I have a letter here dated May 1 from the mayor of Cochrane. Since April 11, when the town of Cochrane was faxed a letter from Chris Hodgson, the Minister of Northern Development and Mines and MNR—since April 11; the letter I have today is May 1—the mayor in the town of Cochrane is receiving so much pressure from the public in that community with the announced closure of the MNR buildings and the layoff of 42 people, and yet nobody on the government side has had the respect since April 11 to agree to sit down with the mayor and the chamber of commerce and listen to the proposal they have.

When you're talking about in the resolution that the public must be consulted, the public must be talked to, it's not happening. I beg the Tory caucus, I beg the member for Brampton South to meet with Mike Harris, talk to Chris Hodgson, who has become a joke of northern Ontario. In previous governments, even in the Conservative government back in the 1970s and 1980s, the



Minister of Northern Development and Mines was considered to be the Premier of northern Ontario. Now we have a minister who is a complete joke. Headlines in the newspapers have no respect for him whatsoever because of the fact that he wants to run the whole show out of Toronto, out of the Premier's office.

I'll be supporting the resolution because we'd like to see some of these things happening, but it is not happening. It's the big lie that is out there. The Conservative member puts this down on paper and says this is what we'd like to do, but it's not happening. It's the big lie right across Ontario. With that, I know the member for Cochrane South wants to make some comments, so I'll wrap up there.

**The Acting Speaker:** I believe the members understand there are certain words we cannot use in the House. It incites the ire of the members and I would suggest that perhaps you could use another word.

1050

**Mr Len Wood:** I'll withdraw the word. This is what is happening on the front pages of the newspapers right across Ontario, but if it upsets some of the members in the Tory caucus, I will withdraw that particular word. There are other words that can be used, because what we have here is that they're saying, "The public must be consulted...", "The public's needs must be paramount...", and the public must have access to information. There is no access to information. The public is not being consulted. You have a group of people—some call them the whiz kids—who are around Mike Harris and he's calling all the shots.

The other day I made some comments that what is happening within the Tory caucus reminds me very much of Jonestown. Reverend Jones put so much fear into his whole community that he told them, "Either you drink the poisoned Freshie or you'll get shot." It wiped out the whole town.

The Tory caucus seem to be fearful of speaking out to Mike Harris and to the cabinet ministers and saying, "What we're doing now is completely contrary to what we promised we were going to do during the election campaign." You got elected, sure. The public supported a lot of the things that were being said during the election campaign, that they wanted change, but they did not vote for the OPP to be called out to beat up the poverty group that came here on the opening day of the Legislature, beat them up with clubs. They did not expect that the Tory government was going to bring out the OPP and have heads bashed in because they could bring a few Conservative cabinet ministers through a picket line on the opening, on March 18. It's sad when you look at all the headlines that are in the newspapers and then you hear one member saying, "This is what we'd like to see happen," and it's not happening.

It's a resolution that a lot of people would have a lot of respect for if it was really what was happening out there within the Tory government of Ontario, and it's not happening.

I know the member for Cochrane South would like to make a few comments on this as well, so I'll leave him a bit of time.

**Mr Bob Wood (London South):** It is with some pleasure I rise today to urge support for this resolution from a Management Board perspective. This resolution will empower taxpayers, put the service back into public service—

*Interjections.*

**The Acting Speaker:** Order. I would remind the two members in the back to remain quiet. This is all part of the dignity and the decorum of the House, to let the person who has the floor speak, please.

**Mrs Helen Johns (Huron):** On a point of order, Mr Speaker: I think that comparing us to Jonestown and talking about—

**The Acting Speaker:** Please take your seat. The member for London South.

**Mr Bob Wood:** This resolution will empower taxpayers, put the service back into public service and increase the accountability of the public service.

There are a couple of things we note about this resolution that it does not do. We do not think it requires a new and expensive process of consultation; we think that's an important aspect of it. We do not think there has to be a process of redress that will require the creation of a new bureaucracy.

We believe many of the principles and standards set out in the resolution are already being incorporated into the government's new approach to business planning. Each ministry is developing a business plan with a results-based performance measurement allowing taxpayers to determine the effectiveness of core programs and services.

The needs of Ontarians are at the centre of this planning process as the government determines the best way to deliver core services in an efficient and cost-effective manner. As the Chair of the Management Board said recently, "We are meeting these" financial "targets and changing the way government operates by developing and implementing ministry business plans that are thorough and fair."

We think this resolution is on the right track and we are pleased to recommend this resolution to all members of the House.

**Mr Gilles Bisson (Cochrane South):** In the minute and 37 seconds that I have, I will try to be succinct and to the point. As a New Democrat, I too don't have a problem with the body of what the member has put in his resolution. Other than the first line that talks about the status quo not being acceptable, the rest of the body of what's in the resolution is acceptable, because we all believe the public needs to be involved and there needs to be some accountability in regard to the public knowing what they're getting for their taxpayers' dollars.

The problem I've got with this is the basis on which this resolution comes forward. The member says, "The status quo is not acceptable." He's saying to you students up there in the gallery and other people across the province that the entire system of taxation and the entire system of services we have does not work, and because it doesn't work, they have to undergo a whole bunch of changes. This is the same idea the Minister of Education, the person responsible for your education, has: "I'm



going to create a crisis within the system of education and with the ministry so that I'm able to go forward and make the kind of changes I want to make so I can change the system of education to my view."

I say to the member and the Tories: Shame on you. That is wrong. The system is not broken; it's not a question of the system being broken. The simple problem is that we have less revenue coming in than we have money to pay for the programs and services people want. If we want to deal with those issues in regard to how do we make the two meet so that we have an equal amount of money to the amount of services going out, I think we can deal with that. But buyer beware, these guys don't believe in public services, they don't believe in government. They would much rather see the entire thing thrown in the private sector, so that if you want to go to college or university, young people up there, you would pay through your nose and you'd never be able to go under a Tory government.

**Mr Clement:** I would like to thank all honourable members who have participated in this debate, either officially or unofficially, in terms of your comments. It was gratifying to get support from all three political parties that are represented in this chamber with respect to my resolution. If it pleases the Speaker, what I would like to do is respond to some of the comments that were elicited from the discussion.

**Mr Bisson:** On a point of order, Mr Speaker: Normally in private members' hour, in the 15 minutes that are given to each party, members from the caucus have an opportunity to address the motion and then the member who sponsors the bill speaks in the last two minutes. I'm sure there are Conservative members—you should at least ask to see if—

**The Acting Speaker:** It's totally within the procedure. There were four minutes left that the member for Brampton South is entitled to use, with the agreement of his own colleagues, plus his two minutes. The member for Brampton South, you have the floor.

**Mr Clement:** The first thing I'd like to do is comment on some suggestions made by the honourable member representing Scarborough-Agincourt. The member for Scarborough-Agincourt made an excellent point which I would like to expand on for a minute. He commented on, from his perspective, the lack of information the government provides. I happen to think we are providing the information he seeks, but let me say this to the honourable member: There is, I believe, an inherent problem in government, a systemic problem, when it comes to giving the right information to the public. He has a personal concern about the information that has been made available to him, but on a general level his point is well taken. There is a tendency of government—and I think there are members of this House in all three parties who have participated in governments at particular points in time—to cloak information, to shield information, to shield themselves from the proper accountability to the public.

In the sense that the honourable member for Scarborough-Agincourt was talking generally about the lack of information that sometimes occurs when we deliver public services to the community, I agree with him absolutely and I think we as a government have to do a

better job and we as members of the Legislature have to do a better job of getting that information out.

The honourable member for Yorkview indicated that he felt this resolution was a motherhood or parenthood issue for members of the House. I would like to honourably disagree with him. I think this is quite a radical measure. It may sound like motherhood; maybe that's part of the problem. It sounds like motherhood because we all want proper service and proper accountability, but the fact is we haven't had it. We have not had it for a long time. As a result of that, this is a radical formulation. What a radical idea, that perhaps the customers, the taxpayers, Ontarians, deserve accountability, deserve better service. That is a radical idea in the province of Ontario. Would that it were not so, but it is so, and that is why we need substantive change in this area.

1100

I'll deal with the honourable members of the third party now, because the consistent theme that I heard from them, the thread of their theme, was that they didn't want to see any sort of change where you had less service. Let me tell you this, Mr Speaker, to the honourable members opposite, their solution was more equals better—more spending, more debt, more people doing repetitive things. That is not the solution. That got us into the mess in the first place. That is what the people of Ontario have rejected.

It is not to say, though, that less equals worse. I believe we can do more with less and my government believes that as well. I believe that with proper benchmarking, with proper standards, with proper accountability, with assisting the civil service to do their jobs and to have that accountability, we will allow them to do their job for the public in Ontario. We will allow them to have the proper standards so that when they are doing their job, they know exactly what is expected of them, not from the government, not from necessarily the members in this chamber. We are 130 taxpayers but we are not 10 million taxpayers.

The opportunity and the task for us is to ensure that they reach the expectations of the public of Ontario, because they are the ones who deserve better, they are the ones who pay the bills. They are the ones in times of need in their lives—whether it is simply for a driver's licence, but in more cases than not it is something more than that and something more substantive than that—they deserve a public service that has the highest standards, not only in Ontario, not only according to what business in Ontario does; I want to see and we want to see a public service that is the best in the world, bar none. That's what the people of Ontario deserve, that's what they expect, that is their right for paying the taxes that they pay to the government of Ontario and it is our job, it is our responsibility, not only on the government side, but as 130 elected representatives who serve our constituents, to set those standards, to set the framework and that is what this resolution does.

Is it going to be a task-oriented effort, is it going to be something that will take some thinking and some creativity? Yes, it will. Are we accountable for how we manage this? Yes, we are. That is the burden and the obligation of government and we as a government have to do better



with less, but I believe with this resolution we can do better for the people of Ontario.

### ROAD MAINTENANCE

Mr Colle moved private member's notice of motion number 15:

That in the opinion of this House, since the roads in this province constitute a \$100-billion asset; and that the Ministry of Transportation is responsible for the construction and maintenance of the provincial highway system, which consists of about 22,000 kilometres of roadway; and

Since the 1995 annual report the Provincial Auditor has concluded that 60% of highways are currently considered to be in poor or substandard condition; and that if immediate actions are not taken to repair highways the condition of the infrastructure will continue to deteriorate to the point that a massive and costly reconstruction effort will become necessary; and

Since the average cost of rehabilitation is estimated at \$80,000 per kilometre lane but if not implemented immediately the reconstruction cost per kilometre lane escalates to \$250,000 per kilometre lane; and that poorly maintained roads jeopardize the safety of motorists and increase the number of accidents, resulting in higher repair and insurance costs; and

Since representatives for the Ontario Road Builders' Association who appeared before the finance committee earlier this year told committee members that since this government came into power no money has been spent on the roads and highways in the province, thus increasing the deterioration of roads; and that provincial cuts to the road maintenance and repair budget mean increased costs for future road reconstruction; and

Since the provincial government is transferring thousands of kilometres of provincial roads to municipalities which in addition have had their provincial operating grants drastically cut; and that a comprehensive long-term government investment strategy in road maintenance and repair will maintain and encourage economic growth and commerce in communities across Ontario and can readily be undertaken by a highly trained and highly skilled local workforce;

Therefore, the government of Ontario should immediately establish a road maintenance and reconstruction fund whereby the government guarantees that a fixed portion of the gas tax along with other government revenues be designated to go directly towards the road maintenance and reconstruction fund for road maintenance, repair and reconstruction in order to systematically eradicate the existing substandard condition of 60% of our provincial roads.

**The Acting Speaker (Mr Gilles E. Morin):** Pursuant to standing order 96(c)(i), the honourable member has 10 minutes for his presentation.

**Mr Mike Colle (Oakwood):** Let me at the outset say that the main intention of this resolution is to focus attention on the need to invest in our existing road infrastructure assets. It's not to say that this condition came to light as a result of this one government or another government before it. It's in essence been a state

that's existed, I think, in Ontario and across Canada really for the last probably two decades where systematically, because of competing interests, whether it be social services or whether it be recreation centres, there just aren't enough dollars to go around. Systematically there hasn't been an attempt to reinvest in our road infrastructure, and I think it's about time we tried to bring that back to focus so that the taxpayers in Ontario will appreciate the importance of our roads, not only to the people who use them commercially or recreationally or for regular service, but also to our economy.

That's what we can do here today by saying that perhaps one way of getting the focus back to ensuring that we don't spend millions and millions extra down the road because we don't fix what has to be fixed today, we should set up a fixed fund that comes from the existing gas tax—it could be other revenues to give the government some flexibility—that is put aside and earmarked just for road reconstruction. You do it over a 10-year period. You can say, "We're going to take so much out of the gas tax or other revenues and that earmarked fund is going to be used solely for road repair or reconstruction." So there isn't a period of time where you're competing with another emergency or whatever, where that road reconstruction budget may be depleted and you're basically losing out to another interest.

People who use the roads, whether it be motorists or truck drivers, are already paying for those roads through their gasoline tax etc; they pay general taxation. So some of those moneys could be earmarked, again, systematically and we could have perhaps a 10-year plan of getting our roads back to where they should be.

1110

One of the things that is important about this is that we have a highly trained and skilled workforce right across Ontario, so immediately we could have the private sector go in and undertake these road repair and reconstruction programs in every community in Ontario. We don't even have to have a government workforce to do it; the private sector, big and small, can do it. They're ready and able to do it. What we need is for the government to put these moneys aside, and these moneys have to be solely used for road reconstruction.

What is a challenge too is to ensure that, as these moneys are put aside, we also adhere to the directions of the auditor. He said we need to implement life-cycle costing analysis. In other words, we can't just spend money on roads and expect that the problem is going to be solved. You have to have a comprehensive life-cycle cost analysis. You don't just look at the cost of the road in terms of the design-and-build construction aspect of it; you have to include in the costing what the future repair and maintenance costs will be, what the future inconvenience to the public will be for a repair. Those have to be included so that you don't have a situation where you always go for the lowest bid but the lowest bid doesn't include what it's going to cost you five or 10 years from now to repair a road that wasn't built up to standard. Life-cycle costing has to be included.

The second thing that has to be included is a significant, comprehensive warranty system, which means that if a road is not built to standard, there be significant



penalties for the builders of that road. There's a case the auditor points out where there's a section of road that basically split apart, segregated itself, after four or five years. The cost of repairing that road for the government was \$500,000. The fine to the roadbuilder was \$2,500. What happened is the roadbuilder paid the \$2,500 fine and the government ended up picking up the \$500,000 cost of reconstruction. If you're going to have this fund set up, you have to have those guarantees also in place that the money will be well spent, that the road will not just be built on the lowest tender without regard to future potential costs to the taxpayer. That is a critical part of the costing.

In terms of the present system, as you know, there has been a marked difference. At one time, when you came across the border from Quebec at Hawkesbury or you came across from Windsor or at Fort Erie, you could see the marked difference. The Buffalo side or the Detroit side was always in worse shape. The Quebec side always was worse than Ontario. Now you see a reverse pattern occurring. Now the potholes, the rough sections of road are on our side. Those of us who have driven across Ontario in the last year have noticed this marked difference.

That's a warning signal to us that we have to invest in this infrastructure, because what we don't repair today—and it's very obvious. The cost of doing some momentary repair is \$80,000 per kilometre. If you delay that, you'll pay three times as much. Deferral and delay mean tripling, quadrupling the cost.

That's what's been happening in municipalities, in regional governments and in provincial governments; they kept on deferring and delaying. Basically they did a lot of resurfacing, but the resurfacing is essentially hiding what's below the surface. It's a waterproofing, and it looks good for a couple of years or a year, but what was really needed was reconstruction. The money for reconstruction wasn't put there, but the roads, the shiny blacktop looked good. Underneath, you had a crumbling infrastructure of that road.

This fund is not just for resurfacing; it's for a comprehensive reinvestment in roads that will save you money down the road—no pun intended. This is something that will not only help, as I said, all the communities in Ontario in terms of travelling on the roads, but it can encourage commercial development because good roads mean good business, good roads mean safety, and that's what it's all about. It's not just about roads for the trucking industry—the trucking industry, as you know, is in dire need of good roads. You know the impact of bad roads on that industry, the impact of bad roads on all industries and especially on the travelling public.

We know, for instance, that the growth of the number of transport trailers across Ontario, the weight of them, the frequency of them with just-in-time delivery has increased dramatically so there's an extra load, literally, on our roads. There are extra pressures on our road infrastructure because of the frequency of trucks. We cannot look at this as if it were 1950, 1960 or 1970. The number of trucks and vehicles on our roads is increasing dramatically and that puts more wear and tear on our road infrastructure.

This is an investment in an asset that Ontario has built upon over the last 50 years. Like any asset you have, it's important to systematically reinvest in it, because the cost of not doing that will go through the roof astronomically, not only in terms of extra construction costs in the future but in terms of the cost in added insurance. There is the cost in front-end alignments; talk to people about what it costs now to fix your front end, because most automobiles are front-end alignment automobiles, and \$1,000, \$2,000, \$3,000 is not uncommon. Those potholes, those rough roads mean expensive auto repair bills. They also mean accidents, the number of accidents that occur. It also, as someone says, could increase gas consumption. There's a cost in many ways if you delay and defer this.

I ask the government to be brave. I know they've asked us for constructive suggestions and I think this is a constructive suggestion. Start with a minimal amount put aside in a fixed, dedicated fund for road reconstruction and repair. You can send a very strong signal to the federal government, you could send a strong signal to other provinces and the people of Ontario and to municipal governments that you are concerned about the state of our highways. I challenge you to take this constructive suggestion.

**Mr Gilles Bisson (Cochrane South):** I would like to speak in support of this resolution in general principle, but I'd like to say at the outset that I, and I imagine some other members of this House, not only within the New Democratic Party, would have some problems with moving to a designated fund, on a philosophical belief, because designated funds in themselves can become problematic for any government and any province over a period of time, because then a lot of programs that need to be delivered are not as supportable on the part of some taxpayers because they're not directly affected. You would get into a situation where the glitzy and easier items to fund such as highway maintenance would be fairly easily supported when it comes to designated funds, but I would argue that other things around education and social services would have a more difficult time.

In general I support what the member is doing because I know what he's trying to say here. The member is trying to say that we have a problem when it comes to the maintenance and the reconstruction of our highway system in Ontario.

Let's be blunt here. I stand here as a New Democrat to say that when we were in government we spent a lot of money on road maintenance, on road reconstruction, but the reality is we didn't spend half as much as needed to be spent according to the auditor. The auditor himself said that the road situation in Ontario needed a vast influx of capital to bring them up to the standard set out within the Ministry of Transportation. If I remember correctly, the number quoted by the auditor was that about 60% of our highways was in need of a huge amount of influx of capital to bring them up to standard. In saying that, quite frankly, there isn't enough money out there to be able to do the job properly. I think we need to be clear on that, be it a New Democratic government or a Conservative government.

Where I have some problems with what the government is doing is that the government in its zeal to move



forward on its agenda is saying, "We're in a hurry to cut in a whole bunch of different areas so that we can be seen to be doing our job of balancing the budget." One of the things they've done is they've gone to the highway capital budgets and they say, "We're going to reduce that," because it's an easy way you're able to reduce expenditure and you don't see the effects immediately.

I have some difficulty with that because highways, as the auditor has pointed out, are not getting the amount of money they need to keep them up to standard and we're going to be in trouble. I remember that in the last year of our government, it seems to me that our capital budget in regard to the amount of money spent on highway improvements was half more than what the Conservatives are spending now.

1120

The Conservatives, since coming to government, have cut that capital budget by almost half, and I say that's a danger, because in the longer run that's going to cost the province a lot of money. If you don't spend the money now, it's going to cost you two and three times that amount of money as you go back to reconstruct the highway five, six or 10 years down the road. That's short-term, shortsightedness on the part of the government in trying to save money on the front end.

The bigger problem I have is what the government is doing with highway maintenance. This is a huge problem in northern Ontario, and equally as bad I would imagine in a lot of other places in Ontario.

The government again, in order to address its financial situation, has said, "We're going to go to the Ministry of Transportation and we're going to have it play its part when it comes to the fiscal agenda of this government." They've gone to the Ministry of Transportation and they've done a number of things. They've cut back the amount of salt and sand that's applied to our highways in northern Ontario during the winter. I can tell you as a member who drives from Timmins at least twice a month—I normally take two trips a month where I drive down and two where I fly—those highways have never been in worse shape than we've seen them this winter.

The Conservatives can argue we've had a heavier winter. I agree, it's been a worse winter than we've had in the past, but even in bad winters we have never seen our highways in the situation they are. There are entire stretches of highway a day after the snowfall that have not been plowed. You'll see that even four or five days after the snowplow they haven't been salted, and we've seen a huge increase in accidents on highways in northern Ontario and we've seen a lot more fatalities than we've seen in the past years, I would say. I think if you pull the stats and you compare it year over year, the numbers would bear out those numbers quite to the point.

What we've got is a government that's saying it's cut back on the capital side, and it's also cut back on the operational side of maintaining our highways. That is quite dangerous to the travelling public, and the member for Oakwood brings forward this resolution to say to the government, as the critic for his party, that he's trying to figure out a way and an alternative to what the government is doing so that we're able to deal with making sure we have the amount of dollars necessary to protect our

highways. So he brings forward this resolution for designated funds.

I say to the government members that it is actually quite sad the member has to come forward to do that. If the government had been doing its job and if the Minister of Transportation, Mr Palladini, had taken seriously the job of highway maintenance and reconstruction, the member for Oakwood, quite frankly, wouldn't have had to come forward to this House today and bring forward that resolution.

I would say to the member for Oakwood and to the rest of the members of the House, I'll support the resolution on the basis that I know where you're going with it, but I want to put on the record clearly that I have a problem with designated funds. I think they lead to problems.

The only other point I want to make is this: Another thing that's happening in regard to highway maintenance—this is not spoken about because it's not a "glitzy issue" with voters—is that the government of Ontario is going to municipalities across this province and they're saying, "We're going to transfer over highways that are under the control of MTO on to the municipalities." At a time when municipalities are facing huge cuts in transfer payments from the provincial government this year, with more coming, this is really going to make it difficult for them to keep those highways up to pace. The government, in its scramble to figure out what they're going to do when it comes to maintaining our highways, is saying: "We got a solution. We're going to transfer over 1,700 kilometres of roads on to municipalities and let them deal with it."

Municipalities are having a hard enough time as it is trying to deal with maintaining their own municipal roads in light of everything that's gone over the past number of years. Under our government, the NDP government, they didn't get a transfer increase for at least three to four years. They've basically had flat-lined budgets over the last three or four years. Most of the municipalities did not increase municipal taxation to a large extent, so they really have the same amount of money they had four or five years ago to provide services that are increasingly becoming more expensive.

On top of that, you've got the provincial government coming down and saying, "I'm going to cut your transfers from last year's municipal transfers." They've been hit by 40% to 50%, depending on which communities were affected, and now they're going to transfer 1,700 kilometres of road maintenance on to municipalities. That's kind of a tricky way to get out from under your responsibility as a government, but by passing it on to the municipalities, I don't think the best interests of the travelling public are going to be dealt with in a positive way. They're having a difficulty as it is right now maintaining their own roads, and having you do that I think in the end is just going to lead to more problems. I'd like to thank you, Mr Speaker, and I look forward to other debate.

**Mr Jerry J. Ouellette (Oshawa):** I'd like to respond to Mr Colle's resolution. Mr Colle resolved that the Ontario government would create a fund that would



dedicate provincial revenues for road maintenance, repair and reconstruction.

First of all, I'd like to assure the members and the public that despite financial restructuring, this government will spend what it takes to keep Ontario roads safe. Ontario's transportation system is an economic asset that quite literally keeps the province moving. We must preserve that asset. However, we must also work within the reality of Ontario's fiscal situation. We cannot continue to spend more and more of the taxpayers' money. We must spend more wisely and certainly we must spend smarter than has been spent in the past. Mr Speaker, 60% of our highways infrastructure is in imminent or immediate need of repair, and believe me, the Ministry of Transportation appreciates and shares all members' concerns about this.

In the past few years, however, the previous government focused capital spending on expansion. With less money for highway repairs, the result should have been obvious, as was stated earlier. Today the pavement tells no lies. Our highway system could really use an overhaul. Ontario's roadways must be in tip-top shape if Ontario is to remain competitive. The longer they go without routine repairs, the more they will cost us to maintain in the long run and the greater the pressure to take on costly rebuilding projects. That's why the Ministry of Transportation has reviewed its spending priorities to refocus resources on high-priority areas. When money is tight, we must spend only where the need is greatest.

Today MTO has a new focus and that focus is on preserving, not expanding our investments in roads and bridges. We will no longer build every highway or every subway that is proposed. We will concentrate on ensuring safety and we will put money towards preserving, repairing and maintaining the current system. That way we'll be able to keep down the long-term costs of looking after them and possibly avoid having to rebuild some of them altogether. In the past year, this government invested \$3.4 billion in capital spending and MTO's portion of that was almost half. That money keeps our roads, highways and bridges well maintained and safe for Ontario's seven million licensed drivers.

Shortly we will announce our capital spending plans for the coming year. Although I can't give you the details, I can assure you that we are doing everything possible to balance the government's promise to rein in spending with the need to put money back into the highway system. We are already doing that by cutting ministry overhead so that more capital goes towards highway construction. We will also remove or postpone non-critical items in reconstruction contracts so that more money is spent on actually filling a pothole or repairing a bridge, and we will ensure that our road maintenance budget at the very least preserves acceptable road conditions until we can afford major reconstruction.

I'd like to move to another point. I think the members here today should know that Ontario pays for all of its highway construction and upgrading. That includes work on highways that are part of the national highway system, yet Ontario receives virtually no funding from the federal government. In 1994 the federal government collected \$1.8 billion in gasoline and diesel fuel taxes from

Ontario, yet it did not invest one cent in our highway network, and then, with last year's federal tax increase, the Canadian government collected even more revenue from Ontario road users, close to \$2 billion.

This government expects fair treatment from the federal government in the form of a national highway program. It seems the federal government favours bilateral agreements with individual provinces, such as the agreement it signed with New Brunswick last June. It is a three-year, \$340-million agreement, cost-shared 50-50.

The members might be interested to know that the federal government contributions to highway spending for all of Canada amount to only about 6% of the total spending on highway jurisdictions. This compares very poorly with other major industrialized nations, for example, 31% in the US, 44% in Italy, 49% in Australia and 68% in France. Certainly the taxpayers and drivers in Ontario should be aware of the lack of federal funding for our highways. Ontario is the hub of Canada's economy and Paul Martin certainly knows this.

The federal government should reinvest a fair share of its revenues it collects from Ontario back into our highway infrastructure so it can remain safe and efficient.

Finally, I'd like to say one thing before closing. This government will continue to invest in transportation projects that are vital to our long-term economic health, and road maintenance is at the top of our list. We simply can't afford to let the transportation system deteriorate. This government will continue to make appropriate investment decisions regarding Ontario's infrastructure, and those decisions will be based on safety and the greatest return to the economy and the people of Ontario. 1130

**Mr Pat Hoy (Essex-Kent):** I'm pleased to join this debate in support of my colleague from Oakwood and his resolution. Every municipality in Ontario is suffering the effects of the government's downloading. The municipalities have had their operating grants cut by \$660 million, or 48%, over two years, plus the government has identified 3,700 kilometres of highways which will be downloaded to municipalities, without ensuring that each proposed highway is brought up to standard or that the funding is provided to make it so.

Further cuts to road maintenance and repair budgets means municipalities will have to try and address their existing roads and bridges with greatly reduced budgets. At the same time, the government is forcing the burden of underserved provincial roads on to municipalities. This can only mean additional taxes and user fees for local residents, and they face the spectre of unsafe highways, which are a threat to their families and their businesses. Where is the justice for local ratepayers?

The Provincial Auditor's 1995 annual report confirmed that the province is not spending enough to maintain the existing infrastructure of highways. Currently, 60% of highways are considered to be in poor or substandard condition. The report confirms that the cost to renew and rehabilitate a road at its practical life expectancy is \$80,000 per lane kilometre. If left beyond that period, it could be \$250,000 per lane kilometre. We all know that poorly maintained roads are unsafe. This increases the number of accidents which, in addition to the human toll,



further drain our tax dollars and increases the cost of owning and maintaining a vehicle.

The rebuilding industry is one of Ontario's largest employers. Over 20,000 full-time jobs in every part of the province rely on road construction. The government is creating a climate of uncertainty which could result in unprecedented layoffs in the industry. What hypocrisy from a government which emphasises that it is open for business. Mr Harris promised 725,000 new jobs for Ontarians, yet he has no plan and no strategy.

My colleague Mr Colle points out that the highway infrastructure of the province constitutes a \$100-billion asset. We must not allow our highways and roads to deteriorate. Maintaining the infrastructure is an investment in Ontario's future which will provide jobs to a highly trained and skilled workforce. The government must ensure that municipalities are given the funds to ensure the integrity of Ontario's highway infrastructure. My colleague's bill would ensure that this would occur.

The government has earmarked only \$50 million for compensation packages across the province. Some municipalities have already made agreements with the province with 100% compensation, while many other municipalities, including some in my riding, may only receive 22% funding. This would only be enough money to do a two-inch resurfacing of the transferred roads and would not address any other necessary repairs. With truck traffic increasing, that might last two years in my riding. Then what?

The government promised moneys to bring the roads up to standard. However, both counties in my riding have been hurt when these agreements have been revoked without consultation. This is simply one more example of the government's attack on rural and small-town Ontario. There are many Mike Harris policies that take aim directly at rural Ontarians. I'm talking about bus deregulation, which threatens service for small Ontario communities. I'm talking about the closing of licence and vehicle issuing offices throughout rural communities.

In my riding we have already lost the licence-issuing office of Ridgetown, which the car dealers, businesses and individuals depend upon. Just recently, the government closed the Leamington licence-issuing office, which serves a part of my riding, and two part-time licence-issuing offices and driver's licence examination centres called "travel points," one in Tilbury and one in Ridgetown.

Jobs, programs and services have been lost at three agricultural colleges in Ontario. Who else does this affect but farmers and rural Ontarians?

I'm concerned also with the government's plan for Ontario Hydro. There is a threat to small public utilities that have been providing excellent service at far lower rates than Ontario Hydro, which could be absorbed, causing huge increases for rural Ontarians. Then there are "small usage fees," which will force rural costs up.

A change which will adversely affect municipalities' abilities to provide drainage loans is another possibility and policy that will hurt the agricultural industry and the people of rural communities.

Finally, I would like to make mention of a very serious problem in many ridings, and mine in particular—that of

doctor underservicing—which the government has paid only lip-service to. The Conservatives have said that they will force physicians to practise in rural areas. This use of force was not asked for and will not work; it will only create bitterness among doctors and citizens, while forcing the brightest and best out of our country. The attack on physicians has already created an exodus across the border, and this promises to get worse.

The Mike Harris agenda is not working in rural Ontario. Mr Colle's resolution will force the government to live up to its responsibilities in the transfer of provincial roads to municipal governments. I'm delighted to support his resolution.

**Mr Floyd Laughren (Nickel Belt):** I want to rise for a couple of minutes to talk about this resolution by the member for Oakwood. I commend him for bringing it forward. I have a bit of a problem with designated taxes, since when we were in government we didn't designate taxes to any particular cause. It is fraught with danger in that it can allocate to some things but there are other areas that don't have a source of revenue, and the danger is that you eat into those other important services in the province. However, I'm not going to quibble with the member for Oakwood. I think he's done the right thing by bringing this forward.

I find it passing strange to hear the Tories in this House, after almost a year in office, blaming the previous government for the condition of our highways, which have deteriorated so much in the last year. I have never, never seen the highways in the condition they're in now. My colleague the member for Renfrew North, who sits to my right, was telling me about the condition of Highway 401 near, I think he said, Napanee. I haven't seen it myself, but it is truly incredible the way you've allowed the roads to deteriorate in this province. I know it's been a tough winter on the roads. We've had other tough winters on the roads in this province as well. Coming from northern Ontario, most of our winters are tough on the roads. But I have never seen them in the condition they're in now.

What you are basically doing is imposing a user fee on motorists in this province without being up front and honest about it. I read in the Legislature a week or so ago a letter from a constituent of mine, a Mr Sauvé. When he was driving from Chelmsford, which is up near Sudbury, to Ottawa, he ran into two potholes; he just couldn't avoid them, with oncoming traffic and so forth. The total bill, when he got everything fixed up, with realignment and a new rim and a new tire and so forth, was almost \$600—\$585.94. He'll be tickled pink when he gets his tax cut, because you've imposed a user fee on him because of the condition of the highways; not just on him, on a lot of other people too.

I have never seen Ontario's roads in the condition they're in now. For you people to be standing on your hind legs and saying that somehow another government was to blame for what you've allowed to happen in the last year you've been in office—it's in the last year that the roads have deteriorated so badly; it wasn't before then.

**Mr John R. Baird (Nepean):** June 7. They just got so bad.



**Mr Laughren:** Well, do a survey of Ontario residents and ask them if they've ever seen the highways deteriorate to the level they have in the last year. I'll bet you they'll tell you that's absolutely correct. I'm the first to acknowledge that the severe winter had a bearing on that, no question about that, but if you think you can put all the blame on God, then you're wrong, because you have a major role to play in this. You have abandoned Ontario's roads. The Minister of Transportation has done it by withdrawing winter maintenance all across the province. You can't avoid that. It's time you faced up to the fact that you are government. How long do you think you can get away with saying, "It was the NDP and it was the Liberals who allowed the deterioration of the highways"? That's absolutely ridiculous. Take it on. It's your responsibility. You wanted it; you got it.

1140

It's time, therefore, that you started delivering what you said you were going to. I heard members opposite say this morning that you were going to concentrate on highway maintenance rather than expansion of the highway system. Fine. Get on with it. When does that happen? When does it start? It sure hasn't started yet. You've cut your budget and you're telling me you're going to put more into it? Please. We know what's happening to our highways and we know that you're to blame. We know that you're to blame because it's happened in the last year.

You could look around to blame anybody you want. The fact is that at some point you have to take responsibility for governing and for what you do and don't do as a government. I know that you'd like to pretend that everything that's happening in the province that's wrong is somebody else's fault. Grow up, folks. You're the government. Get on with governing and take care of our highways.

**Mr Derwyn Shea (High Park-Swansea):** I rise, and I am pleased to do so, in response to some comments particularly by my distinguished colleague from Nickel Belt, who gave a spirited defense of God, and I think in fact I ought to echo that point. He's quite right: God needs no help on this issue. The facts speak for themselves. I'd like to bring them to the attention of all honourable members in this House today.

What particularly intrigues me by this—when I first saw the motion, I really thought my distinguished colleague from Oakwood was indeed joshing us. Now I'm persuaded that he has been walking on the road to Damascus and a marvellous conversion has taken place. I have seen the metamorphosis before my eyes and I have suddenly seen the butterfly emerge as a magnificent caterpillar. I want to respond to a couple of points that are outlined before us today in this motion.

The honourable member would have the people of Ontario believe that this government is allowing the transportation system of Ontario to disintegrate, and you know and we all know that nothing could be further from the truth. In fact, there are two points upon which the member's argument fails.

The first picks up on a theme that the honourable member for Nickel Belt would try to slide by very quickly in a marvellous fashion. The fact is that the claim

that 60% of the province's roads are in poor or substandard condition is certainly a figure that comes forward from the auditor's report. I want to remind this House that the figure in 1979 was 40%. If we take a look at the 20% in that period of time, who the heck do you think was in government during that period of time? Last time I took a look, it was the Peterson government, it was the Rae government, it might even have been Premier Bob White, for all I know. The fact is that 20% of deterioration occurred during that administration and this government is now setting about to put the record straight.

Let me make it very clear that the quotes given to us by the Ontario road builders to back up the statement of the member that since this government came to power no money has been spent on the roads and highways I suggest is a misreading of what the Ontario road builders have said, even though one might suggest that there be some bias in that source. I wouldn't put that before us, but I would suggest that maybe we'd want to review again the source of that quote.

I want to remind us, for example, that the Ministry of Transportation estimates are showing that this government will spend a total of \$500 million on highway construction this fiscal year, of which a higher portion will be dedicated to rehabilitation than in previous fiscal years. In fact, expenditures for roadway maintenance and repair are \$236.5 million in 1995, compared to only \$225 million in 1994. So it seems as though the member for Oakwood may be attempting to create some kind of crisis where none exists.

*Interjections.*

**The Acting Speaker:** Order.

**Mr Shea:** Thank you, Mr Speaker. I know it's difficult to keep them in line.

What is the solution, for example, to this non-existent problem that the honourable member for Oakwood is trying to address? Well, surprise, surprise, surprise: It involves introducing what essentially becomes a new tax for the people of Ontario. How characteristic that is indeed of the Liberal Party and perhaps even of my colleague in terms of how they deal with the people of Ontario. Old habits do die very hard.

Mr Colle proposes, and I quote, "that a fixed portion of the gas tax, along with other government revenues, be designated to go directly towards the road maintenance and reconstruction fund." Obviously he feels, first of all, that half a billion dollars is not sufficient to begin the work of reclaiming the roads and improving the road conditions in this province.

What is very interesting is that he makes no comment of where that other revenue should come from. Should it come from education? Should it come from health care? Should it come from police services or public transit, dare I suggest? Or should I suspect that Mr Colle is really suggesting this should come from an increase in taxes? Frankly, Mr Speaker, you and I both know that simply cannot happen. The Liberals may try to have it both ways; they can't have it both ways in this case.

What I want to make very clear is that the member has also shown a distinct lack of awareness when it comes to the gas tax.

*Interjections.*



**The Acting Speaker:** Order. There should not be any exchange between members across the floor. The member for High Park-Swansea has the floor. I hope this is clear.

**Mr Shea:** I remind the House that it is the federal Liberal government which collects approximately \$2 billion a year from the gas tax on Ontarians, and you and I don't see a penny of that, Mr Speaker. I wonder if anybody could tell us how much money in the last two, three, four or five years the federal government has put towards the roads in this province out of the \$2 billion every year it takes out of this province from the gas tax. I haven't seen a nickel of it. I plead on behalf of my colleagues from northern Ontario; they haven't seen a nickel of it either.

I think it's time for the federal government to begin to accept some of its responsibility in this regard. Mind you, it's also the same Liberal government that is currently proposing to subsidize the Maritime provinces in their efforts to harmonize the GST, and of course that may be where some of our road tax is going.

The provincial gas tax currently goes into the consolidated revenue fund, and that's where we get the \$500 million to do road repairs, need I remind us? So I can only conclude from the member for Oakwood that he is proposing we increase the provincial gas tax to solve this invented problem. Or perhaps he feels we should direct money away from other services such as hospitals or schools. I really hope that is not what he is suggesting.

Finally, I am particularly amused that this transformation of my dear colleague has occurred before our very eyes, a colleague for whom I have consummate respect and indeed know well, as he served for six years as a chairman of the Toronto Transit Commission and part of that as the chairman. He must have forgotten some of the things that occurred and that he proposed when he was a Metro councillor.

1150

I have some press clippings here. According to the Toronto Star of July 21, 1990, then councillor Colle proposed taxing motorists \$53 per month, or \$636 per year, to be allowed to drive to work. I must suggest that that money he was going to tax was not going to go for the urgently required road repairs in Metro. Even if the Gardiner Expressway was crumbling and other Metro roads were disintegrating, that money was not going to be directed; it was going to go to public transit, not for the roads for which this member now argues that more money is necessary. A week later, he is quoted as saying, "It's time for a crackdown on driving," using both stiff tax increases and transit incentives.

Clearly, the member before us really has his eyes more fixed on public transit than automobiles, but the motion before the House now would say exactly quite the reverse. Clearly, Mr Colle now feels that cars are no longer evil and that we should do everything in our power to make it convenient to drive all over the province.

Finally, this government has been working diligently to undo the damage of the previous last decade of Liberal-NDP mismanagement. The Minister of Transportation will ensure that the roads are put back into good—

**The Acting Speaker:** Thank you. Your time has expired.

**Mr Rick Bartolucci (Sudbury):** I rise in support of the motion from my colleague the member for Oakwood because it makes perfect sense. You've heard from the member for High Park-Swansea; you've heard some "common sense." Well, I stand in support of perfect sense.

I would like to relate to the House a little bit more about common sense and what the common sense proponents have said. In the document issued in January 1995, called *A Voice for the North: Report of the Mike Harris Northern Focus Tour*, they were committed to roads. It said, "The Ontario Transportation Capital Corp will raise money to build new roads in the north and to continue four-laning." It also said, "Improving transportation in northern Ontario will provide better service, preserve communities, safeguard existing jobs and allow more opportunities for job creation." Now, that was common sense, and that was said in January 1995.

Almost one year to the day, on January 18, the three members from the nickel basin received letters from the Ministry of Transportation which said: "Over the next few years, the Ontario government's transportation priorities in northern Ontario will focus on providing for the safeguard of motorists. To meet this goal, the Ministry of Transportation will concentrate its efforts on maintaining, rehabilitating and, where required, upgrading the existing highway system." What they said was that they were going to cancel the environmental assessment of Highway 69. The headlines all over the north were "Four-laning of Highway 69 Cancelled by Tories."

The people in the north said, "They lied to us," and I said: "No, 'lying' is not the proper word. They broke a promise. But they're going to continue the maintenance of highways."

Well, on April 11, in the business plan announcements, we notice that in the business plan announcement for the Ministry of Transportation you will see a 17.2% reduction in northern highway funds. What's going to happen to the road maintenance in northern Ontario? It's going to be non-existent. Again the people of the north said, "What's happening? It doesn't make common sense," and I said: "It's not a lie, it's a broken promise. We cannot use that terminology because it's incorrect." So we have another broken promise.

When we hear the proponents of common sense speak, they utter broken promises. The member for Oakwood makes perfect sense, because this will allow, if you people adopt this resolution, the opportunity to create a fund that will go exactly to where it is supposed to go, to what you said in the Common Sense Revolution you would do, and that's commit to maintaining highway safety.

The member for Oakwood's resolution makes perfect sense. Help us help you look good and live up to your commitments in the north and support the resolution from the member for Oakwood, because it makes perfect sense. Common sense is filled with broken promises. Perfect sense offers a direction for repair, and I stand in support.

**Mr Len Wood (Cochrane North):** The member for Oakwood has brought forth a resolution. The way I see it is that he's saying the funding is being cut for highways, and it's quite true. The Ontario Road Builders'



Association is saying that the Tories spent only \$179.9 million in a year on highways compared to the \$393.4 million that the NDP government spent in the same time frame.

If you look at the roads in northern Ontario, it's quite obvious that the member from the Conservative Party who spoke must only ride on streetcars and take the subway. If he were on the highways he would know that this is the worst year anybody has seen as far as winter maintenance is concerned. We've never seen a year like this, where the Ministry of Transportation does not have the money to go out and plow and sand the roads.

What did they do? They send out the OPP and block off the road for a couple of days. Just yesterday and the day before, the roads in Kapuskasing were closed because the snowplows and the sanding trucks were not able to be out there on the road. It's quite obvious that these things are going to happen when you realize that MTO has reduced its budget by 12% for snowplows, 11% in the number of seasonal staff—that's a total of 125—and this has happened during one of the worst years we've had for snow. The ground has not been seen in northern Ontario, especially in Kapuskasing, since the end of October, and we're still getting snowstorms. At the same time, the Conservative government is cutting back drastically on the amount they are prepared to spend on winter maintenance and on summer maintenance.

There were promises made: "The Conservative government will continue the trend of installing passing lanes and repairing the roads in northern Ontario." Now they've broken all those promises. We see members at the federal level resigning over broken promises. It's quite obvious that the Tory caucus should resign en masse for all the promises they broke, promises they made during the election campaign, promises they made immediately after. They've broken all of them.

When we look at this resolution, to get more money into repairing the roads, I believe it's a good resolution and should be respected. The Tory caucus should come forward and support it.

**The Acting Speaker:** Before we continue the debate, I would like to remind the members that there are too many conversations going on. It's all part of the decorum in the House to give a chance to the person who is speaking, to give them a chance to have a say.

**Mr Michael A. Brown (Algoma-Manitoulin):** I am particularly pleased to support the member for Oakwood's resolution this morning which is calling for Ontario to spend a reasonable amount of money on maintaining our highways.

I'm from Algoma-Manitoulin and I'm most familiar with the roads that impact us directly. I'll tell you, I have had more complaints about Highway 17 this year. Some people even talk about it as a roller-coaster. In the member for Nickel Belt's riding they stopped construction on Highway 17, the only four-laned portion, and left that road with only two of the four lanes open, with oncoming traffic—a very dangerous situation. We had a bad accident up there. It is a terrible situation, and the government left it there.

What the member for Oakwood is talking about here is seeing something that, in Ontario, happened; it wasn't designated, as Mr Colle is suggesting here, but up until

1990, through all governments up until 1990, there was a rough correlation between the revenues generated by fuel taxes and other taxes on transportation and the amount spent in the Ministry of Transportation. That did change in 1990 and I think all the member for Oakwood is saying is, "Let's get back to a system that is more or less the same."

**1200**

One of our members has brought to your attention the increased cost of insurance when you hit these potholes. I want to tell you, I'm a little bit concerned about this. The government has a vested interest in having insurance rates go up. It sounds a little strange, but we all know there's an 8% premium tax on automobile insurance: 3% that's hidden, 5% you see. It seems to me as insurance rates go up over there, Mr Eves is very happy to collect the \$300 million or \$400 million that comes into this province by taxing the drivers of Ontario.

What we're suggesting over on this side is this money should be put back into our transportation system so that when Mike Brown or any of my constituents or anybody in the north is driving down the abominable Highway 69, attempting to get to Toronto or points in the south, or our transportation, our trucks, the things that are vital to the economy of northern Ontario, move up and down that corridor—when we hear that it's cancelled, they're not going to do anything more, we are absolutely bewildered, given the government's promises when they were in opposition.

I want to say to you, given the size and increase in revenues that are coming from transportation, from fuel taxes, from licence fees—have you paid your licence fees lately? Have you renewed your licence? It is just crazy the amount of money that the government has coming in from the drivers of Ontario, and at the same time we're seeing the cutbacks in service, not near as many licensing points. In my constituency, I'm going to have people driving 40, 50, 60 miles to take a driver's exam. That is going to be just absolutely incredible: a downsizing in service and yet they can't maintain our roads.

Highway 6 needs work, 108 needs work, and surely the government could find the money to do something about 17 west of Sudbury, which is just phenomenally bad, Mr Speaker. I'm sure you've driven it and you know the situation. I'm getting letters. I have a constituent that sent to my office a bill for 400 bucks that he has spent in order to repair his vehicle because he hit a pothole on Highway 17.

So I'm saying to you, Mr Speaker, this resolution calling for the government to dedicate at least some of the huge flow of revenues that they're seeing from taxing the drivers of Ontario, through fuel tax, through insurance taxes, and all the other taxes on drivers, put some of it there.

**Mr Michael Gravelle (Port Arthur):** I'm pleased to stand here in support of my colleague from Oakwood's resolution to establish a road maintenance and reconstruction fund.

The government often tells us: "How would you deal with this situation? What are your alternative solutions?" Today we have an opportunity to support a creative, constructive plan that would deal with a really serious problem across the province, a problem that impedes



economic development, threatens public safety, and if not dealt with will cost the province a lot more.

In my riding there are various places that need road work immediately but they've been postponed or cancelled. I support this resolution. We've got to fight for it. It makes perfect sense. We support our member strongly.

**The Acting Speaker:** The member for Oakwood, you have two minutes to respond.

**Mr Colle:** I want to thank the members around the chamber for their support and their debate and contribution.

I just want to say that this is a constructive offer that we've made whereby a government who talks about accountability—how can they refuse this basic accountability and making sure the taxes that are now collected through gasoline taxes etc are put back into repairing roads? How can they talk about accountability if they don't support this?

I would say that I was just astonished by the member for High Park-Swansea who has the gall, a person who lives in downtown Toronto, to say to northern members and people in rural Ontario that the roads are just fine, that this is an artificial crisis like the Minister of Education has created.

Obviously, the member from downtown Toronto has not been to Napanee. He has not been to Sudbury. He has not been to Thunder Bay. He hasn't been to Cornwall. He sits in his big fancy limousine in downtown Toronto and thinks that everything is okay in the rest of Ontario. This bill, this resolution, is a direct message to say that just because the streets are fine in downtown Toronto, they're sure not fine in small-town Ontario. They better wake up to this. Even myself, as a transit advocate, I've seen the light. Things are so bad on our roads that even I can see that something has to be done. I was the chairman of the TTC and when he talks about the TTC, he's the parliamentary assistant to the minister who used to scold us at the TTC because we weren't spending enough money. He was saying we were clowns when we told him, "Wait, can you afford it?" So I find it very hypocritical.

This is the message: Be accountable. The taxes already collected: Put some apart to fix those potholes in small-town Ontario.

#### ONTARIO PUBLIC SERVICE

**The Acting Speaker (Mr Gilles E. Morin):** We will deal first with ballot item number 25, standing in the name of Mr Clement. If any members are opposed to a vote on this ballot item, will they please rise.

Mr Clement has moved private member's notice of motion number 16. Is it the pleasure of the House that the motion carry?

All those in favour of the motion will please say "aye."

All those opposed will please say "nay."

In my opinion, the ayes have it.

We will deal with this vote in a few minutes. Please take your seats.

#### ROAD MAINTENANCE

**The Acting Speaker (Mr Gilles E. Morin):** We will now deal with ballot item number 26, standing in the

name of Mr Colle. If any members are opposed to a vote on this ballot item, will they please rise.

Mr Colle has moved private member's notice of motion number 15. Is it the pleasure of the House that the motion carry?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion, the nays have it.

Call in the members. This will be a five-minute bell.

I had forgotten to explain to you something of a small incident that happened last week, last Thursday. Before we proceed with the voting today, I would like to address the members that on Thursday last, there seemed to be some confusion as to the procedure we were following on the deferred votes for both items of private members' public business.

I want to assure all members that the procedure followed was completely in accordance with standing order 96(f) and was the procedure we have followed in the House for many years. When a vote is requested on the first item of business, the calling in of the members by the Chair is deferred until we determine if there is to be a vote on the second item. The members are then called to the House once with one five-minute bell, and both votes are taken in succession.

We have tried to accommodate those members in the past who have wished to vote on the first item but not the second by pausing between the questions to allow those members to leave the chamber before voting on the second item. This also allows other members who may be waiting in the lobbies to enter the House to record their vote on the second item. This procedure, I admit, is cumbersome at best. However, we have to follow the standing orders that require the votes to be taken in succession. If it is the wish of the members, I will cause the doors to be open for 30 seconds of the clock after the first vote, rather than an unspecified pause, as we have done in the past.

In the third session of the previous Parliament, this House operated under a special order, dated April 20, 1993, wherein the votes on Thursday mornings were taken individually. In that case there were two five-minute bells, which seemed to work much better than the current procedure. However, until a similar order is passed, we have to proceed with our present procedure.

Call in the members. This will be a five-minute bell.

*The division bells rang from 1210 to 1215.*

#### ONTARIO PUBLIC SERVICE

**The Acting Speaker (Mr Gilles E. Morin):** Mr Clement has moved private member's notice of motion number 16. All those in favour of the motion will please rise and remain standing until you're recognized by the table.

#### Ayes

Agostino, Dominic

Fisher, Barbara

Pettit, Trevor

Arnott, Ted

Ford, Douglas B.

Phillips, Gerry

Baird, John R.

Fox, Gary

Preston, Peter

Barrett, Toby

Froese, Tom

Pupatello, Sandra

Bartolucci, Rick

Galt, Doug

Ramsay, David



|                      |                      |                       |
|----------------------|----------------------|-----------------------|
| Beaubien, Marcel     | Grandmaître, Bernard | Rollins, E.J. Douglas |
| Bradley, James J.    | Gravelle, Michael    | Ross, Lillian         |
| Brown, Jim           | Hampton, Howard      | Sergio, Mario         |
| Brown, Michael A.    | Hastings, John       | Shea, Derwyn          |
| Carroll, Jack        | Hoy, Pat             | Sheehan, Frank        |
| Castrilli, Annamarie | Johnson, Ron         | Smith, Bruce          |
| Chudleigh, Ted       | Jordan, Leo          | Spina, Joseph         |
| Clement, Tony        | Lalonde, Jean-Marc   | Stewart, R. Gary      |
| Colle, Mike          | Laughren, Floyd      | Stockwell, Chris      |
| Conway, Sean G.      | Leadston, Gary L.    | Tilson, David         |
| Cordiano, Joseph     | Marland, Margaret    | Wettlaufer, Wayne     |
| Crozier, Bruce       | McLeod, Lyn          | Wildman, Bud          |
| Curling, Alvin       | Munro, Julia         | Wood, Bob             |
| Danford, Harry       | Ouellette, Jerry J.  |                       |
| Duncan, Dwight       | Parker, John L.      |                       |

**The Acting Speaker:** All those opposed will please rise and remain standing until their names are called by the table.

#### Nays

Bisson, Gilles                      Churley, Marilyn

**Clerk of the House (Mr Claude L. DesRosiers):** The ayes are 58, the nays are 2.

**The Acting Speaker:** I declare the motion carried.

Let me explain now what's happening. The doors will be open for 30 seconds to permit people to leave, if they so wish, and others to come in, if they so wish. Just watch the clock.

#### ROAD MAINTENANCE

**The Acting Speaker (Mr Gilles E. Morin):** We'll now deal with ballot item number 26 standing in the name of Mr Colle. All those in favour of this motion will please rise and remain standing until your names are called by the table.

#### Ayes

|                      |                      |                    |
|----------------------|----------------------|--------------------|
| Agostino, Dominic    | Cordiano, Joseph     | Lalonde, Jean-Marc |
| Bartolucci, Rick     | Crozier, Bruce       | Laughren, Floyd    |
| Bisson, Gilles       | Curling, Alvin       | McLeod, Lyn        |
| Bradley, James J.    | Duncan, Dwight       | Phillips, Gerry    |
| Brown, Michael A.    | Grandmaître, Bernard | Pupatello, Sandra  |
| Castrilli, Annamarie | Gravelle, Michael    | Ramsay, David      |
| Churley, Marilyn     | Hampton, Howard      | Sergio, Mario      |
| Colle, Mike          | Hoy, Pat             | Wildman, Bud       |
| Conway, Sean G.      | Kormos, Peter        |                    |

**The Acting Speaker:** All those opposed will please rise and remain standing until your names are called by the table.

#### Nays

|                  |                   |                       |
|------------------|-------------------|-----------------------|
| Arnott, Ted      | Froese, Tom       | Rollins, E.J. Douglas |
| Baird, John R.   | Galt, Doug        | Ross, Lillian         |
| Barrett, Toby    | Hastings, John    | Shea, Derwyn          |
| Beaubien, Marcel | Johnson, Ron      | Sheehan, Frank        |
| Brown, Jim       | Jordan, Leo       | Smith, Bruce          |
| Carroll, Jack    | Leadston, Gary L. | Spina, Joseph         |

|                  |                     |                   |
|------------------|---------------------|-------------------|
| Chudleigh, Ted   | Marland, Margaret   | Stewart, R. Gary  |
| Clement, Tony    | Munro, Julia        | Stockwell, Chris  |
| Danford, Harry   | Ouellette, Jerry J. | Tilson, David     |
| Fisher, Barbara  | Parker, John L.     | Wettlaufer, Wayne |
| Ford, Douglas B. | Pettit, Trevor      | Wood, Bob         |
| Fox, Gary        | Preston, Peter      |                   |

**Clerk of the House (Mr Claude L. DesRosiers):** The ayes are 26; the nays are 35.

**The Acting Speaker:** I declare the motion lost.

All matters relating to private members' public business having been completed, I do now leave the chair. The House will resume at 1:30 of the clock this afternoon.

*The House recessed from 1222 to 1330.*

#### MEMBERS' STATEMENTS

##### ANNIVERSARY OF POLISH CONSTITUTION

**Mr Tony Ruprecht (Parkdale):** May 3 is of special significance to citizens of Polish ancestry, who are celebrating the 205th anniversary of the Polish Constitution. The Constitution of Poland already 205 years ago guaranteed a great deal of personal freedom and, for the first time in Europe, divided authorities into the legislative and controlling body, the Parliament; the executive body; the ministers; and the independent judiciary, the courts. For the first time, it really diminished a great deal the royal power and the power of the oligarchy.

The May 3 Constitution was a remarkable instrument for its time, in several ways. It was proof of the Polish nation's drive towards individual and national freedom which had manifested itself throughout history, and it was adopted without violence, unlike the counterparts in the United States in 1787 and in France in 1791.

This year, the anniversary also reminds us of the great and significant contributions that Polish Canadians have made to Canada in all walks of life, and especially their determination to keep Canada united.

Finally, May 3 will be celebrated by Polish Canadians all across Ontario. We do have, however, a special invitation to all of us from the president of the Polish-Canadian Women's Federation, Jadwiga Sztrumf. She is here today, and she welcomes all members to join at the special prayer service at the Katyn monument on King Street West.

*Remarks in Polish.*

##### REESOR SIDING LABOUR DISPUTE

**Mr Len Wood (Cochrane North):** A day of mourning was observed on April 28 to pay respect to working people who have died or suffered illness or injury on the job.

It's appropriate, then, that today I speak to you about the unveiling of the Ontario Heritage Foundation provincial plaque last Thursday, April 25, 1996, to commemorate a tragic day in labour history that occurred at Reesor Siding on February 11, 1963, in Kapuskasing in my riding of Cochrane North. It was a day that won't soon be forgotten.



A contract dispute between management and members of the Lumber and Sawmill Workers' union led to a strike in January 1963. Striking workers tried to shut down the paper mill in Kapuskasing by blockading the pulpwood shipments from independent contractors. More than 400 workers were approaching Reesor Siding on February 11 when shots rang out. Three strikers were killed and eight others were wounded.

In commemoration of this unforgettable event in the history of the Ontario labour movement, a plaque sponsored by the Ontario Federation of Labour, in cooperation with the local Industrial Wood and Allied Workers of Canada, was unveiled April 25 at Reesor Siding, 35 miles west of Kapuskasing.

This event is still very vivid in the minds of people of Cochrane North and will probably remain that way for many years to come. Labour peace is important to us all. To be able to live and work together in harmony is a goal that all of us should try to achieve.

#### ARBOR WEEK

**Mr Frank Klees (York-Mackenzie):** I rise today to recognize two important initiatives that focus on the government's natural resource management mandate.

The first one is Arbor Week, which started April 26 and runs until May 12. The objectives of Arbor Week are to educate people about trees and to encourage them to plant and care for trees. During this time, municipalities and community groups across the province will be involved in many activities, including tree-planting events and educational initiatives.

We have many partners helping us to celebrate Arbor Week. They include the Ontario Round Table on Environment and Economy, Arbor Day Council of Canada, Landscape Ontario, Guelph Arboretum, the Ontario Horticultural Association, the Ontario Forestry Association, the Ontario Shade Tree Council, Union Gas, the Ontario Ministry of Education and Training, and Tree Plan Canada.

#### RABIES

**Mr Frank Klees (York-Mackenzie):** The second event I am announcing today is that May is Rabies Awareness Month. The purpose of Rabies Awareness Month is to raise everyone's awareness and knowledge of the potential problem posed by all forms of rabies, in particular, raccoon rabies.

Our partners in Rabies Awareness Month are the Ontario Ministry of Health and the Ministry of Agriculture, Food and Rural Affairs, and Agriculture and Agri-food Canada.

I encourage all members to support initiatives offered in their community as part of Arbor Week and Rabies Awareness Month.

#### EDUCATION FINANCING

**Mr Mario Sergio (Yorkview):** The wholesale dismantling of the educational system in the province has to stop. The Minister of Education, without any regard for the children of this province, is taking an axe to our

educational system and chopping away at the hope and future of this province.

The deeds of this minister are already well documented. He once spoke of manufacturing a crisis so as to give the excuse for deep spending cuts. He then turned his attention to firing teachers across the province and robbing school boards of property tax dollars, all in the name of deficit fighting.

Now we find out that he's cutting the number of hours of class time and resorting to threats, coercion and intimidation of local school boards and their personnel to hit their financial targets. It is no wonder members of his own party have called the minister "out of control" and "a little out of whack right now."

Finally, the province's future prosperity depends on high standards of education. This is one lesson the Minister of Education should not forget. It is time for this government to do its homework and seriously study the impact these cuts will have on the quality of education in Ontario.

#### ONTARIO ADVISORY COUNCIL ON WOMEN'S ISSUES

**Ms Marilyn Churley (Riverdale):** There is apparently no measure this government won't take to silence its critics. It is a sad irony indeed that just when their voice was needed like never before, the Ontario Advisory Council on Women's Issues has been ended by the Harris government. This event alone speaks volumes of the swing to the radical right of the Ontario Conservative Party. It was a much more moderate version of Tory government that in 1973 appointed the advisory council in the first place.

This was an active and valuable council. In its 23-year history, it immersed itself in every major issue of the day, from pay equity and employment equity to women's health, environmental standards, reproductive choice, child care, women's poverty, violence, native issues and racism.

The original intent was that the council would serve as an arm's-length body, able to comment when the government of the day fell short on its commitment to women's equality. I think it's increasingly obvious to women that this commitment no longer exists.

Recent polls have shown a gender gap in support for the Conservative Party. Women continue to be sceptical of the Harris government's commitment to their well-being. This government's appalling track record stands in stark contrast to the contribution of the Ontario Advisory Council on Women's Issues.

I'd like to take a moment to give my heartfelt thanks to all of those who over the past years have served on this council to the benefit of all Ontario women.

#### GREATER TORONTO AREA

**Mrs Janet Ecker (Durham West):** I rise in the House today because I will be submitting to the Minister of Municipal Affairs and Housing a collection of surveys from the voters of Durham West on the important matter of GTA reform. Put forth by the Ajax/Pickering News Advertiser, these surveys constitute a response to the



recent recommendations of the GTA task force report, otherwise known as the Golden report.

I request that the minister bear in mind the views presented because they clearly show that while the people of Ajax and Pickering agree in principle with the notion of greater cooperation among the regions, they are weary of the establishment of new government institutions to solve our problems and, in particular, with the imposition of new taxes. For example, a majority of the respondents are in agreement with the proposal for a greater Toronto area economic strategy and a common marketing plan. However, they remain fundamentally opposed to the idea of replacing regional governments with a single GTA government or council, as well as the proposed user fees on vehicles and gasoline fund region-wide infrastructure.

One proposal that does solicit a favourable response is the concept of actual value assessment. The people who responded are clearly ready to support a more equitable form of property tax assessment.

In closing, it is my sincere hope that the feedback I'll be presenting to the minister will aid him in his ongoing review of the Golden report.

1340

#### ST THOMAS PSYCHIATRIC HOSPITAL

**Mr Bruce Crozier (Essex South):** Today I rise proudly in the presence of my wife, Joan, and my son, David, who are in the gallery, to make a statement on the economic impact of the closure of St Thomas Psychiatric Hospital.

While both the London Psychiatric Hospital and the St Thomas Psychiatric Hospital are important employers, the St Thomas Psychiatric Hospital is seven to 10 times more important to St Thomas than the London Psychiatric Hospital is to London.

St Thomas Psychiatric Hospital is the fifth-largest employer in St Thomas and surrounding area. The sheer size of London and its greater proportion of white-collar employment make London's economy better able to absorb the closure of a hospital.

STPH creates the equivalent of 750 full-time jobs in St Thomas. This represents 5% of all the jobs in St Thomas. The London Psychiatric Hospital only represents one half of 1% of the jobs in London.

St Thomas Psychiatric Hospital generates \$32 million a year in economic activity in St Thomas.

I ask the Minister of Health to seriously consider the disastrous economic effect on the city of St Thomas, Elgin county and the surrounding areas before any final decision is made to close the hospital.

#### LABOUR DISPUTE

**Mr David Christopherson (Hamilton Centre):** When the government introduced its anti-worker Bill 7, we predicted there would be confrontation on the picket line and that indeed it could lead to picket line violence.

There are now in my home town of Hamilton 300 workers at the Jockey Club who have been locked out for some two months. They are members of Local 528 of the Service Employees International Union. The contract offer that's in front of them now includes taking 90 current full-time jobs and reducing those workers to 10

hours per week with no benefits. The company, as a result of its legal right now to use scabs, has employed scabs to go in there and take away the jobs of those lawful picketers.

On Monday, these workers will vote on a final contract offer, and that offer includes a section that would terminate three of their colleagues. Under the previous NDP law, those three picketers would have had the right of access to an arbitrator. That right's been taken away, and if those workers now want to vote for this agreement and end this strike, they have to cut loose three of their colleagues.

Bill 40 gave workers decent, fair rights in this province. Bill 7, the government's anti-worker bill, is meant to cause confrontation, and it's doing just that. This is just one more piece of the evidence that proves that case.

#### CYSTIC FIBROSIS

**Mrs Helen Johns (Huron):** I rise today to acknowledge, on behalf of the Ministry of Health, Cystic Fibrosis Month.

Cystic fibrosis is a fatal genetic disorder which affects primarily the respiratory and digestive systems. As the disease progresses, it has increasingly devastating effects on the lungs, where it causes severe respiratory problems and recurring bouts of lung infection.

The treatment of cystic fibrosis includes the intake of pancreatic enzyme supplements and a diet high in calories, protein and fat. Vigorous physical therapy on a daily basis is used to loosen and drain the secretions that accumulate in the lungs.

When the Canadian Cystic Fibrosis Foundation was founded in 1960, the average life expectancy of a child born with CF in Ontario was only about four years. Now, as a result of improvements in antibiotics, nutrition and physiotherapy, the median age of survival is approximately 33 years.

In 1989, doctors at Toronto's Hospital for Sick Children discovered the CF gene, and they are confident that with continued efforts CF may soon be controlled.

I would like to take this opportunity to congratulate the Canadian Cystic Fibrosis Foundation for its support of and dedication to people and their families living with cystic fibrosis.

#### VISITOR

**The Speaker (Hon Allan K. McLean):** I'd like to inform the House that we have a former member in the east gallery, Mr Sheppard, from the riding of Northumberland. Welcome, Howard.

#### STATEMENTS BY THE MINISTRY AND RESPONSES

#### AGRICULTURAL LEGISLATION LOI PORTANT SUR L'AGRICULTURE

**Hon Noble Villeneuve (Minister of Agriculture, Food and Rural Affairs, minister responsible for francophone affairs):** I wish to inform my colleagues in



the Legislature today that I, on behalf of the government, will be introducing the Ontario agrifood and rural business bill. This bill lays the groundwork for future growth in Ontario's farming, food and rural sectors.

Ce projet de loi établit les bases de la croissance future des secteurs agricole, alimentaire et rural ici en Ontario.

Last fall and winter, we held table talks and other consultations with farmers, agribusiness and rural people across the province to determine the kinds of support they think government should be providing as they head into the next century. What we heard has been incorporated in this bill.

The Ontario agrifood and rural business bill includes the legislative changes necessary to help the Ministry of Agriculture, Food and Rural Affairs focus on such priority areas as research and technology transfer, investment attraction and advocacy, market development, and rural economic development. An important goal is to reduce red tape and overregulation. In fact, the ministry has been working with the Red-Tape Review Commission to eliminate unnecessary or unfair barriers to business growth and job creation.

The bill does not jeopardize programs and services now available to the agrifood sector. Instead, it encourages greater industry participation and moves the Ministry of Agriculture, Food and Rural Affairs out of the direct delivery of some services that can be much better carried out by others. For example, it provides for the establishment of a crown agency to be known as AgriCorp that will deliver crop insurance, market revenue programs and related farm programs to the agrifood business. The bill also provides for the alternative delivery of research, education and laboratory programs.

When preparing this bill, we reviewed all of the Ministry of Agriculture, Food and Rural Affairs' agriculture and food legislation and regulations. Several items of legislation were found to be decades old and in need of updating or elimination. Based on this, the bill amends several acts and repeals others. On the whole, the agrifood and rural business bill reflects our commitment to Ontario's agrifood industry.

C'est un projet de loi qui prépare le terrain à l'innovation et montre que nous pouvons faire mieux avec moins.

It is a bill that prepares the way for innovation and demonstrates that we can do better with less.

**Mr Pat Hoy (Essex-Kent):** The Minister of Agriculture has dropped an omnibus bill as it relates to agriculture on the table today, this coming from a government that promised no cuts to agriculture during its campaign. It can be fully understood that they would drop these many pieces of legislation into one bill.

The members on the other side have problems within their own ranks, as we read in the press, about the minister's cuts to agriculture. Just recently, Mr Speaker, you would know that the minister cut \$56 million from the budget of OMAFRA and cut over 964 jobs from his ministry.

I've often wondered, Mr Minister: Through the press we've learned, and partially through this announcement on your bill, that some of these jobs are going to rotate back into other government agencies. Be clear about this: I'm glad that these people are not losing their jobs. But

I am concerned. Are you going to download on these other institutions such as the University of Guelph and other areas? Are you going to provide the funding that will allow them to keep these jobs in place? Or are you just downloading so you can say, "This other agency laid those people off and I had nothing to do with it"?

As well, you're going to have to explain to the business community, which may have an appetite for your laying off of people, one that I don't share, how you laid off 900 people one day and brought 600 people back. Maybe Mr Johnson would like to explain that to the public as well.

1350

Believe me, I'm glad these people are maintaining their jobs and I hope the University of Guelph will keep—

*Interjection.*

**Mr Hoy:** You've got the explaining to do, not myself. I have no explaining to do on that shell game, Mr Minister. I have no explaining to do.

You've closed ag offices across rural Ontario. You've taken the autonomy away from colleges in small towns such as Ridgetown, Kemptville and Alfred and placed them with the University of Guelph, and that is where the public is fearful of future directions.

In your statement today you talk about the creation of a crown corporation, and it's possible that you may be moving to user fees for the farm public. As we know, your leader has stated that user fees are nothing else but a tax, so what you've done is combine massive cuts to agriculture, and the possibility exists here to a large degree of introducing user fees for the agricultural community across Ontario.

Then, as well, in your aim here where you say you're getting out of the direct delivery of some services which can be provided by others, it seems like a veiled attempt to say, "We're going to privatize," and therefore, again, we're getting into the user fee area for agriculture. You're repealing eight acts, amending six, and you say this was all consulted with the Red-Tape Review Commission. I hope you have a number of farmers on that commission.

Mr Minister, if you continue your assault on agriculture, laying people off and cutting the ministry in such great amounts, something you said you would never do, you're going to have the ministry downsized to the point where you'll be able to run it from the basement of your home.

We'll be watching the introduction of this bill in total to make sure you have consulted with the agricultural industry, as you stated coming in the door today, and we'll be consulting with them to hold you to your word, something that really isn't in high esteem these days.

**Mr James J. Bradley (St Catharines):** I want to agree with my colleague who has so well put it that we see now the Minister of Agriculture is having all of the tools he needs taken away from him.

In the past, I know my friend has been a person who has cared about agriculture and he has, as an opposition member, brought forward many of the items that needed to be brought forward at that time. I lament that other members of the government have abandoned him and taken away the resources my friend needs to carry out his



responsibilities. I want to indicate to him that I will fight to get the resources back for him, because I know these resources will be needed to assist all farmers in Ontario and I know that the backbench members of the Tory caucus agree with me.

**Mr Howard Hampton (Rainy River):** The Minister of Agriculture calls this the agrifood and rural business bill. Let there be no doubt about it, this is another example of doublespeak. This is not about rural business, this is not about agrifood, this is about hidden taxes. This is about how farmers will now be able to pay hidden taxes to AgriCorp. This is how farmers will now be required to pay hidden taxes to the agriculture and food institute of Ontario. This is how farmers who used to receive a service from the Ministry of Agriculture will now pay hidden tax after hidden tax after hidden tax because those services are being removed. That is what this bill is about, nothing more, nothing less than a whole series of hidden taxes that are going to be placed upon the farmers of Ontario, because the Ministry of Agriculture, in terms of the services it has provided in the past, is no more. It is totally out of the picture. Everything now farmers will have to pay for in the form of hidden taxes.

Let's just do a little review. Before Christmas, this Minister of Agriculture took \$26 million out of the Ministry of Agriculture budget. Then he announced just after Christmas that a further 30% at least, \$156 million, would come out of the agriculture budget.

The situation became so serious that a number of backbenchers to this Conservative caucus wrote a letter to this minister, to the Premier and to the Deputy Premier, and in it they said:

"The rural caucus advisory committee agreed unanimously on February 14, 1996, that the government should honour the Premier's commitment in the Common Sense Revolution and in its Rural Economic Development policy booklet that there be no more cuts to the Ontario Ministry of Agriculture, Food and Rural Affairs' budget."

Just to retrace the record a little further, 964 jobs are going from the Ministry of Agriculture, Food and Rural Affairs. These are the people who used to provide services to farmers; these people will be replaced by other people who will collect hidden taxes from farmers. Every time a farmer wants a service, someone will be there with a handout saying: "You owe us hidden taxes. You pay for this."

Let there be no doubt that this is probably the greatest increase farmers and residents of rural Ontario ever will have faced. That is what this bill is all about. What it comes down to is this: As rural hospitals are being closed, as rural school boards are being pushed to the edge of the cliff, as rural roads become nothing more than a series of potholes and as services across rural Ontario are cut, this minister comes forward with a bill for more hidden taxes. That is what is going on here.

There is only one partially positive thing in this bill: the creation of the AgriCorp for Ontario, but let the record be clear that the AgriCorp is something my honourable colleague Elmer Buchanan introduced and spent many months working on with agricultural organizations across this province. This minister's trying to cover up a bill which is about nothing more than hidden taxes,

and then trying to take credit for AgriCorp to cover up the mess he is creating is nothing less than despicable.

People will see through this. As people see hidden taxes upon hidden taxes mounting up every time they request help, every time they request a service which used to be provided by the Ministry of Agriculture, Food and Rural Affairs and they are now told, "You must pay for this, you must pay for that," it will become very clear to them that rural Ontario will be the greatest victim of this government. Rural Ontario will suffer in terms of service after service—health care, education, child care, roads and basic services—and at the end of the day the Minister of Agriculture, Food and Rural Affairs will say to them, "Pay more taxes"—only they aren't open taxes; they're hidden taxes.

## ORAL QUESTIONS

### INDEPENDENT HEALTH FACILITIES

**Mrs Lyn McLeod (Leader of the Opposition):** My first question is for the Minister of Health. On Tuesday you said that neither you nor your ministry was aware until late last week that you were negotiating with a United States company that is under investigation in three American states to manage two dialysis clinics in Ontario. Yesterday you admitted that the information you had provided on Tuesday was inaccurate and incomplete, and that is very worrisome.

Yesterday you also claimed that while your ministry knew about this some three months ago, you were not personally informed. Either that information is incomplete again, Minister, or you have told your ministry that privatization is to go ahead at such breakneck speed that you don't even need to be kept informed, and that too is worrisome. What is most worrisome is the extent to which you seem to be prepared to jeopardize the health of the people of this province in order to carry out your government's obsession with privatization.

It is not just National Medical Care that is a minefield; it is the entire for-profit dialysis industry. Here is how the New York Times, in its major investigative series, described the industry: "The investigation found an industry that uses equipment and procedures that cut costs and raise profits, often at the expense of patients' health, that operates with few rules to assure high-quality care, and that has induced doctors to play along by giving them a share of the cash."

1400

As you embark on your dangerous mission to privatize health care, why did you choose the disgraced private dialysis industry as your beachhead?

**Hon Jim Wilson (Minister of Health):** Again, with the particular tender that is under question here, it isn't a privatization of health care; it's a not-for-profit Canadian company, run by some Ontario doctors, that was to run this. However, I wish to inform the House that as a result of the questions that have been raised, many of which I agree are very genuine concerns, about the management company that would have been involved with Dr Posen and his other physician colleagues in Ottawa, I have



cancelled this particular request for proposal. We're going to ask all interested parties to resubmit and we've made some changes.

A lot of these questions about the management team who would work in the clinic and some accountability measurements that are to be worked out are normally contained in stage two, which we hadn't got to yet. Those will be combined with stage one so that all the relevant and important questions are asked up front in the future as we move to provide the best possible, highest-quality services to the people of Ontario and particularly to people with kidney disease.

**Mrs McLeod:** How fortunate for patients in the province of Ontario we did raise the question in the House, so that we have the minister, who said, "I didn't know and I didn't want to know," now having to at least take some steps to correct the major mistake he was about to make.

The issue I raise with you today is broader than this one contract with National Medical Care, because I'm saying to you that the problem is not just with this one company. It's not just the practices of one rotten apple that you're about to cut off; the standard for the entire industry is to jeopardize patients' health by cutting costs. This is an industry where the standard is to shift the duties of doctors and nurses to less-trained and poorly supervised technicians; where the standard is to use poorly maintained and out-of-date equipment to the point of reusing disposable equipment designed for one treatment only; where the standard is to keep patients on dialysis for too little time.

Again, why are you so willing to jeopardize the health of Ontarians that you would allow a thoroughly disgraced for-profit dialysis industry even the possibility of getting into Ontario to manage clinics in this province?

**Hon Mr Wilson:** I can assure the honourable member that whatever company or hospital or non-profit organization wins these tenders, for the first time included in this request for proposal are the highest-quality standards for haemodialysis and dialysis services. I have what accompanies the request for proposal, which is 37 pages of quality criteria that must be met to win these contracts. We hadn't got to that stage with this particular tender; that's stage two.

These standards—they're called clinical practice parameters and facility standards—are put out by the College of Physicians and Surgeons. They are responsible to ensure, along with help from the Ministry of Health, that the proponents of these proposals and the eventual winners of these tenders must, every day and for every patient and for every hour they're open, meet these standards, fully policed by the independent College of Physicians and Surgeons. That is a breakthrough for health care and haemodialysis in this province and something we should all be proud of.

**Mrs McLeod:** You rammed through Bill 26, and with Bill 26 you took the people of this province to the very slippery edge of the slope of privatizing our health care services. You are trying to push us down that slope and you hold up standards of quality. For the last two days you have refused to acknowledge that you had any responsibility at all for enforcing any kind of standards of quality. You didn't even want to know who was behind

the provision of services for kidney dialysis. You cannot talk about enforcing quality standards when you're not prepared to take any responsibility for looking at what this for-profit American industry can do to our health care, and that's the issue I want you to address today.

Let me again quote a prominent New York kidney specialist. We're dealing with kidney dialysis, where you introduced new services. He said, "National Medical Care is sort of a harbinger to look at in terms of what is coming in the future of health care"—not one isolated incident, but the future of health care. Even the president of National Medical Care said, "Economic decisions can and do entail clinical compromises, and patients will bear the cost."

Minister, that is what American for-profit medical care is all about, and that's what you are exposing the patients of this province to by starting us down that slippery slope. I want you to stand up today and tell us unequivocally, not just that you are not going to proceed with this contract now that you know the company is under criminal investigation, but that you will categorically not allow the privatization of dialysis treatment, given what we know about this industry, and that you will not allow your reckless drive to privatize health care to jeopardize the lives of people of this province.

**Hon Mr Wilson:** Again the word "privatization" is being thrown around here. Your government approved over a thousand independent health facilities when you were in government. You may call those all privatization, because that's exactly what you're doing here. This is the same act, particularly when these tenders went out under the old Independent Health Facilities Act.

Under the new act, you'll see in today's press release the new accountability measures we can put in, the expansion of the ability to ensure accountability and quality assurance, which was what this section of Bill 26 was about. It's a positive, I assure you. And I can assure you that there are 1,011 independent health facilities in this province today, if you want to call that privatization. They are owned by doctors, as was the case in this proposal in question. They do diagnostic services. They provide dialysis services, like Dialysis Management Clinics in Markham, which has been up and running and was opened by the NDP some two years ago. It is a private clinic. There are no fees for the patients, as is the case with abortion services, which the Liberals put into independent health facilities; those abortion services, the facility fees and the doctors' fees, are paid for fully by the province, as is the case here. There is no difference between the proponents we saw on paper and approvals you gave in over a thousand cases.

Frankly, this is not about privatization; this is about providing the highest quality of services to the people of Ontario.

About this "I didn't want to know" business, of course I wanted to know. I have taken full responsibility in this House for not being informed by my officials, and we're trying to ensure that doesn't happen again so we don't have to go through this again. Believe me, I fully wanted to know all the circumstances surrounding the issuing of this tender. When I became aware of it, I took immediate action to cancel the tender, and we're starting again on a level playing field.



**Mrs McLeod:** Minister, you opened the door wide—

**The Speaker (Hon Allan K. McLean):** New question.

**Mrs McLeod:** My next question is to the Minister of Health. I say to him, you opened that door to privatization and American for-profit medical care wide when you took away the Canadian preference in Bill 26 and even took away the need for a request for proposal in the future. Minister, no one will any longer trust what you will do with those kinds of powers you've given yourself.

Mr Speaker, it's frustrating when you're dealing with a minister who wants to convince everybody that everything is just fine in health care in the province of Ontario while he opens the door to this kind of company facing criminal investigations and almost concludes a contract with them. It's frustrating when you deal with a minister who is slashing and burning and taking dollars away from health care and tries to tell us that the health care system is going to get better when the people in our health care system tell a very different story, and that's the issue I turn to now.

#### HEALTH CARE FINANCING

**Mrs Lyn McLeod (Leader of the Opposition):** The minister will know that the Ontario Nurses' Association has done a survey of its members, and that 81% of the nurses of this province believe that understaffing due to budget cuts and downsizing has reached the point where unsafe conditions exist for patients. They believe your cuts are putting patients at risk, and I ask how you respond to those front-line workers who are telling you that your cuts are creating unsafe conditions in our hospitals.

**Hon Jim Wilson (Minister of Health):** I agree with much of what the Ontario Nurses' Association said in terms of its concerns about restructuring. I've heard those concerns, and we've responded very clearly as a government.

First of all, we've not cut one penny from health care. I think all members will be reassured of that fact in just a few days when the finance minister once again brings us up to date on the books of the province.

1410

We've not cut one penny. They talked in the ONA news conference about a "shell game," and I do take some exception to that, because we've dramatically reduced our staffs—my staff is one third the size of the previous government's staff—and we've dramatically cut administration in the Ministry of Health, and we're reducing waste and eliminating waste and duplication. Yes, if they want to call it a shell game to take waste and duplication in administration and drive it to front-line services like dialysis, like cardiac services, like expanded paramedic services in this province, if that's a shell game, I'm proud to keep playing it. The fact of the matter is, we've not cut one penny of health care. We're getting rid of waste and duplication and overlap and we're driving those dollars to front-line services, enhanced services for the people of the province, something long overdue in this province.

**Mrs McLeod:** You haven't restructured a single thing yet. All you have done is cut, and you have cut \$1.3

billion from hospitals and from the front lines of our hospitals. That is what the nurses who work in those hospitals are telling you. They're telling you about the kinds of conditions that exist today in Ontario hospitals and that our patients are facing.

Minister, patients are being discharged from hospitals earlier and earlier. If you don't want to listen to the nurses tell you that, talk to patients. Ontario has the shortest length of stay for patients in North America. Nurses are concerned that patients are being sent home too early, that patients are not given enough education about what to do when they're sent home early. We're talking about mothers with newborn infants. We're talking about patients recovering from that cardiac care that you talk of providing.

Eighty-five per cent of nurses believe that the quality of health care in Ontario has deteriorated, and you created this situation by slashing \$1.3 billion from our hospitals. Are you prepared to listen to the nurses and restore the \$1.3 billion to our hospitals?

**Hon Mr Wilson:** Very clearly, it was the Liberal government that began us on the process of restructuring and reforming the health care system.

**Mrs Sandra Pupatello (Windsor-Sandwich):** You're in charge now.

**The Speaker (Hon Allan K. McLean):** The member for Windsor-Sandwich.

**Hon Mr Wilson:** The honourable member and her ministers of health back when they were in government gave a lot of speeches about moving away from expensive institutionalized care to appropriately placed community health services. The NDP did a bit of work on it, but we've built on that.

Three weeks ago, we announced \$170 million in new dollars. The honourable member knows full well that we've not cut \$1.3 billion, that we haven't seen that hospital money from that side of the equation in the sealed envelope, yet we found \$170 million to reinvest in community services, allowing 80,000 more seniors and disabled individuals to receive home care and home-making and meal services in their local communities, creating 4,400 new health care jobs, many of those for nurses. We've done that before the major hospital restructuring begins in this province so we don't have gaps in services.

We're finally doing what 15 years of health ministers have talked about. We're making the shifts, putting the dollars in the community first without seeing one penny of hospital restructuring money, beefing up those services so we don't have gaps in services as we restructure the hospital system in the province.

**Mrs McLeod:** Minister, you have done what no government has ever done before, you're right: You've taken \$1.3 billion away from front-line health care delivery in the hospitals of this province. You cannot deny that you have cut hospital budgets by \$1.3 billion, and nurses in this province are trying to tell you what those cuts mean to patient care.

You surely know that as a result of your cuts there'll be some 15,000 nurses in this province who will lose their jobs over the next three years, 15,000 nurses who provide that front-line care. How do you replace that kind



of care? They're telling you that patients are already exposed to unsafe conditions, and surely they know, because they're in there day in and day out. They're telling you that your cuts to hospital budgets will mean more layoffs, more cutbacks, more corners cut. Minister, will you not listen to them? Will you not hear what they're saying? Will you not put those dollars, if you haven't cut health care, back into hospitals, put the \$1.3 billion back into the front-line health care of this province?

**Hon Mr Wilson:** I have listened very carefully to ONA and have a very good relationship with ONA, and I did in the five years in opposition. We've had meetings since I've been Minister of Health, and the proof is in the pudding.

This morning, ONA said at the news conference, "Our vision of Ontario's health care system is one that fully integrates all its institutional and community services, where consumers can move smoothly from one health service to another in a publicly administered and funded, streamlined system."

**Mrs Pupatello:** Funded. That says funded.

**The Speaker:** The member for Windsor-Sandwich.

**Hon Mr Wilson:** What is this government's vision for health care contained in my speeches of the last 10 months since coming to office? Our vision for health care: identical to ONA's. We will shift from a fragmented system to integrated programs, breaking down the silos we so often hear about.

For example, we've heard many times that this integration is badly needed between hospitals and community-based services. Finally, our new direction for health care will result in seamless and accountable care for Ontarians, integrating assessment, diagnosis, treatment, care, illness prevention and health promotion. With the some 22 announcements we've made since coming to office, our reinvestment strategy, including the new jobs and community-based services, we are fully backing ONA's vision of health care as articulated this morning, and our government's vision of health care as articulated by me and many of my colleagues since coming to office some 10 months ago.

#### INDEPENDENT HEALTH FACILITIES

**Mr Bud Wildman (Algoma):** The Minister of Health reached into the Americanization cookie jar and got bit. He's now called for new tenders.

**Mr Chris Stockwell (Etobicoke West):** Bud, you can't get bit in a cookie jar.

**Mr Wildman:** That's what he thought.

Is the minister aware that dialysis in the United States has a record that 23% of patients die, twice that of a number of other jurisdictions like Japan and Europe and others? Is this the kind of system this minister wants to import into Ontario? How can the people of this province have confidence that a government that is interested in Americanizing the system is not going to import those kinds of problems into our system of health care?

**Hon Jim Wilson (Minister of Health):** Again, it's perhaps a good idea to ensure we all know what the facts were in this case, and that is that it wasn't the government that invited in the American management system; it was the Canadian proponents who invited in a Canadian

management team to set up this clinic. When we got word of the reputation behind all of this, that the process has been biased, in fairness to everyone we're going to start over on that one.

I am fully aware. This Parliament passed a private member's bill in 1993 in my name dealing with this issue and calling upon your government, Mr Wildman, to do something about the dialysis crisis in the province. Since we came to government, we've been able to expand those services significantly, and clinics today are up and running in several communities. We've made those announcements, the RFPs have gone through, the clinics are open. I've been to the openings already of many of those clinics.

I am fully aware, probably as much as any member in this House, of the overly aggressive nature with respect to the grabbing of dialysis patients in the United States. I'm aware of this because we had US officials and Ontario renal experts appear before the standing committee on social development in response to my private member's bill in December 1993. So in February and March of 1994, we spent a full month hearing about the horror stories in the United States. I'm fully aware of that. That's why, when I became aware of a problem in one of our tenders, I acted immediately to correct that problem and to make sure it doesn't happen again.

**Mr Wildman:** The minister's response raises all sorts of interesting questions. We didn't understand when the private member's bill was debated in this House in 1993 that this is the kind of solution you had for dialysis.

The minister says this is an effort to ensure that the problem with this particular tender will be rectified. As soon as he became aware of it, he said, he acted, which raises all of the questions that have been asked and not answered about why he wasn't aware of it when he should have been originally. Why did he have to learn about it after he'd made the announcement in Ottawa?

1420

We've looked at the RFP, the request for proposals, and there is nothing in that request for proposals which ensures that any company making a proposal can be checked for their record to ensure there haven't been problems in the past, criminal investigations in the past, or to ensure that they don't have American connections.

How can we be sure this retendering will ensure that we don't end up with more of these problems as long as this government is prepared to accept RFPs from anybody, including American firms?

**Hon Mr Wilson:** It's a very good question. During stage two of the independent health facility process—and it's the same process the Liberals followed and the NDP—stage two would have required a full interview with the proponent, with any management company that may or may not be involved, and a description of the business and professional experience of the persons or person submitting the proposal, and that would have caught a number of things.

Having said that, the honourable member raises a very good question in terms of any legal proceedings that might be against a company and so, in today's announcement you'll see we've added two things to the first part of the RFP process.



They are: Increased measures to deal with accountability, including moving up—this is normally stage two, the CPSO part of the process—we're moving that up to stage one so that the 37 pages here have to be fully adhered to, all the accountability measures and questions must be in place and answered prior to any announcements. Secondly, we are asking any disclosure of any relevant legal proceedings by the persons or companies that may be involved in future tenders.

What we've done is taken the normal independent health facility process, which was done over a number of stages, combine the first two stages so that we ask these questions up front, and not end up in the situation that clearly we've ended up in with this one proposal.

**Mr Wildman:** The minister seems to be trying to pretend that his ministry staff were not aware of the criminal investigations involving National Medical Care, which was related to Dr Posen's firm.

Moving up the request, the checking for criminal investigations, to the first stage of the RFP process doesn't deal with the fact that even in the older process, the previous process, the ministry staff were aware of the criminal investigations and the minister took the view that whether or not it was an American firm was not relevant. That's what he argued. He said Dr Posen's firm was a non-profit Canadian firm and going to employ Canadians, so it didn't matter.

How is it that he can stand here in this House and say he's retendering and he's going to check and he still hasn't explained why his ministry staff did not give him the information they had in their possession, that there was a company involved in this process that had serious problems in the United States and was under investigation?

**Hon Mr Wilson:** I have fully explained to the best of my ability what happened. The ministry, again I repeat, indicated that with the Canadian preference they were looking for in the proposals, that both the proponent here was Canadian and the management company was Canadian and therefore they did not feel it necessary to raise any flags, even though—you are right—they were fully aware in January or February when Dr Posen told one of the officials that this Canadian management company was a Canadian subsidiary of a US Boston-based company. They were fully aware of that. I was not aware of that. When I became aware of that, we took action to correct the situation.

#### EDUCATION FINANCING

**Mr Bud Wildman (Algoma):** I have a question to the Minister of Education and Training. The minister has announced in this House that he's getting money somewhere—\$14.5 million—to alleviate problems faced by small boards in the province as a result of his cuts to boards across the province. He's also released a list of 27 small boards that would benefit from this change.

Could the minister explain why boards like the Manitoulin Board of Education are not on this list of 27?

**Hon John Snobelen (Minister of Education and Training):** As I explained in the House a matter of a few days ago, we have released a change in a regulation that

allows for small boards, those boards with 10,000 or fewer students, to have the amount of the savings they're looking for in their school system limited, the change in their general legislative grant limited to one of two criteria: 3% of their overall spending or 15% of the previous GLG. School boards that fit within those criteria—again, there are by our estimates currently about 27 boards that will fall into that category—will see some relief from GLG reductions over the course of the next year.

Other boards are affected in different ways. As we've explained in the House on prior occasions, the general legislative grant takes into account both the savings this government is asking all boards across the province to look for outside of the classroom in their spending—we think that's consistent with what the taxpayers and parents want in this province—and other circumstances; for instance, the impact of the social contract and the impact of assessment changes and student enrolment changes. The circumstances for each board are slightly different.

**Mr Wildman:** I asked a question specifically about the Manitoulin Board of Education and I don't think the word "Manitoulin" was even mentioned by the minister in his response.

The minister said: "We will be modifying the general legislative grant regulations for small boards with fewer than 10,000 students. What we will be doing for these small boards is limiting the grant reduction to either 3% of the school board's operating expenditures of 15% of the board's 1995 grants, whichever is less."

I have a copy of Ontario regulation 116/96, signed by the minister, which supposedly implements this change. The minister doesn't even know how many boards would qualify for this new regulation. It isn't 27; it's more like about 60 boards that have fewer than 10,000 students and that would face situations of 3% of operating or 15% reduction in grants over last year as a result of his cuts. It's not 27.

Has the minister read this regulation that he signed? If he has, can he tell us what the regulation permits, who is included in the regulation and what it means for these small boards across the province that are facing serious financial problems and have fewer than 10,000 students?

**Hon Mr Snobelen:** There are boards with fewer than 10,000 students that are in isolate communities that do not relate with the general legislative grant, and those isolate boards are outside and exempt from this particular action. We have very clearly spelled out what the criteria are. I have explained to the House before, and I believe to the honourable member before, that our estimate—and I believe I used that word just a few moments ago—is approximately 27 boards. That's what we believe, based on the numbers we have in the ministry to date, will be the numbers of boards that will fit within those criteria: small board and the two caps. That is based on our estimate of their enrolment numbers, of their grant numbers.

Again for the edification of the honourable member, the savings this government is asking boards to look for outside of the classroom across the province amount to less than 2% of their gross operating costs. Those boards that face a higher reduction than that face it based on the actions of the previous governments.



**Mr Wildman:** The minister has thrown the grant system of his ministry completely out of whack. The minister obviously doesn't know where Manitoulin is. It's a board that has fewer than 10,000 and is not an isolate board. It is not included on his list and it is going to face these kinds of financial problems. It fits into the criteria. The point is, there are a lot of other boards like Manitoulin that are affected in the same way.

When is the minister going to straighten out how this regulation is going to be applied within his ministry so his own ministry staff will know how to do it, how is he going to ensure that boards like Manitoulin, where the director of education said, "Well, I guess the ministry has just made a mistake," will benefit, as they should, from this change, and when is he going to tell us where the money is coming from to do all of this?

1430

**Mr Gilles Pouliot (Lake Nipigon):** John, if you don't know Manitoulin, you'll never find Manitouwadge.

**Hon Mr Snobelen:** With all due respect, I certainly won't need the help of the member opposite to find Manitoulin Island since I have visited that community in the past.

I can tell you what I've told the House before. The criteria under which this will be applied are very clear. I can assure the member opposite that my ministry staff understand it, but we are waiting and we are having discussions with small boards across the province, as I announced last week, to see, with their actual enrolment numbers and with their actual grant projections, who fits and who does not fit. As I've said, our estimate is 27 boards. That's an approximate number, and we'll see, as the real numbers come in, who fits and who doesn't. Perhaps the board in question will fit. I'm not aware of their circumstances, but I'm sure the ministry will be.

#### POLICE SERVICES

**Mr Bernard Grandmaître (Ottawa East):** My question is to the Solicitor General. Mr Minister, you'll recall that in your Common Sense Revolution you promised no cutbacks to municipal transfer payments, and also to create more secure communities in the province of Ontario. Yet in my own city of Ottawa, municipal services were cut back by \$18 million in 1996. The results were not surprising, when I read the Ottawa Sun headline this morning, "Car Dealers Help Finance Underfunded Cops; Ottawa New Car Dealers Association Helps Defray the Costs of a Massive Car Theft Investigation."

Mr Minister, this investigation had been ongoing for almost a year, but because of lack of funds, it was being shelved, but the new car dealers association came to the rescue with a donation of \$15,000 to complete the investigation. Is this the start of a user-fee system? Is this the start of a two-tier justice system—one for the rich and one for the poor?

**Hon Bob Runciman (Solicitor General and Minister of Correctional Services):** As the member is probably aware, we are beginning a process of reviewing the structure of policing in this province and the financing of policing in this province. This is the very first significant review in almost a quarter of a century of how police are

structured right across the province of Ontario. We can't do everything overnight, but we're certainly going to be making very significant changes in policing, which is going to result in more police officers on the front lines right across this province.

When we make a promise, if you will, with respect to the front lines, that is not a blank cheque. Most of the police officers I've talked to across this province realize that we have a difficult financial situation to deal with. Much of it can be laid at your doorstep, Mr Member. We're dealing with it and the police want to play a role in that. We can find administrative efficiencies; we can make changes in the roles and responsibilities of police. We're looking at all of those areas and we are going to have in this province a much more effective and efficient police service right across Ontario as we head into the next century.

**Mr David Ramsay (Timiskaming):** Now we understand what police restructuring means in Ontario. It's a protection pay system for those who can pay to have their investigation continued.

The minister floated another idea late last night in a Toronto crime forum here that he wants to use welfare recipients as security in crime-ridden neighbourhoods. It's sort of part of workfare. Maybe it's going to be called copfare. I don't know what we're going to call this unarmed, undertrained, ill-equipped squad. Maybe it's going to be Runciman's Raiders or the Pogey Police or Bobby's Bobbies. We don't know what it's going to be called.

But the minister is putting these people in danger and you're putting the public in danger. Are you suggesting that part-time amateurs will be a deterrent to crime in big-city neighbourhoods? Do you honestly believe that by lowering the standards of our professional police in Ontario, we will be making our neighbourhoods safer?

**Hon Mr Runciman:** The comment the member is making reference to was part of a round table discussion which was sponsored by Rob Davis, who is the Conservative candidate in York South, who has a significant interest in hearing the concerns of people in that area related to crime. This was a discussion of problems and concerns of constituents in that particular riding and suggestions on ways that we can deal with them. The suggestion that was raised with respect to the Holland and Belgium experience was one that I indicated I had read about. I've asked for additional information on it and it's something that we should perhaps take a look at.

We also, as the member is aware, have the Ontario civilian commission on policing in this province, which is in place to ensure that we continue to have adequate and effective police services across this province. If a police service makes a decision to reduce service to their community, they're going to have to deal with the definition of "adequate and effective" as defined by the Ontario Civilian Commission on Police Services. We have one community that's experiencing that right now. I feel very confident with respect to the support and cooperation we're getting from police officers right across this province and I can tell you, they know we know that they're getting much more support from this government than they ever received from the Liberal government.



## SOCIAL ASSISTANCE

**Mr David S. Cooke (Windsor-Riverside):** I have a question to the Minister of Community and Social Services. I'm sure that you're aware of the Metro Toronto report which shows a startling increase in evictions since your social assistance cuts took effect. In January of this year, eviction applications were 33% higher than the previous January, and by February of this year, 68% of welfare recipients renting in the private market paid more in rent than they got in shelter allowances.

I'd like to ask the minister, if people can't afford their rents, where are they supposed to move in Metropolitan Toronto? Mothers and children are now relying on hostels in this community. Are you suggesting, as the Premier did once just a few months ago, that families should move out of Metropolitan Toronto?

**Hon David H. Tsubouchi (Minister of Community and Social Services):** First of all, it is very unfortunate if anyone is evicted from their home. We do know, however, that evictions had been on the rise in Metro at least over the past five years, and certainly that period would take into account the time that the honourable member was in power.

We also know that there are some very difficult decisions for individuals to make to live within their means today in this province, whether they're on welfare or whether they are people who are working for a living. We are aware, of course, that we did do a cut to welfare, to 10% above the average of the other provinces, but it is 10% above the average of the provinces, and hand in hand we allowed people to earn back the difference between the old and new rates.

So I understand the situation. It's not much different than it has been over the past five years, but I believe we have a responsibility to work with them to try to find solutions.

**Mr Cooke:** I wonder what the minister thinks when numbers are up 33% in this community and you're saying they're similar to what they have been in the past.

The sheriff's office in Niagara north told us this morning that they have had about a 20% increase in evictions and increased violence when notices are served. In Windsor, we heard that evictions for the first three months of this year are almost one third of the total for last year. In Middlesex, the sheriff's officer said he is now serving between 70 and 80 notices a month, instead of the 50 a month he had last year. He also points out that he's having to physically remove single mothers and children because they have no place to live.

Mr Minister, how can you stand in this House today and still say that your welfare cuts have no impact on mothers and children? And what are you going to do to make sure in this province, one of the richest in the world, that we don't have mothers and children living in the streets or shelters?

**Hon Mr Tsubouchi:** First of all, I know that Metro Toronto housing counsellors are available to assist recipients with their housing needs. The ministry also provides a community startup allowance to assist their moving to more affordable accommodations.

Let's put this in perspective. I understand it's unfortunate, but the honourable member across the way is throwing some numbers at me in terms of how the numbers of evictions have increased. It is unfortunate, but let's compare some figures here. Statistics from the sheriff's office show that between 1988 and 1995, during the Liberal and NDP terms of government, the rate of evictions in Metro Toronto increased by approximately 300%, even while these two parties raised welfare rates.

1440

## FEDERAL-PROVINCIAL JURISDICTION

**Mr John O'Toole (Durham East):** My question today is to the Minister of Intergovernmental Affairs. In your speech last week to the Canadian Club of Burlington, I was pleased to hear you reiterate the provincial claim that the federal government has carved out for itself a role in many areas that are clearly of provincial jurisdiction. By eliminating the overlap and duplication, what benefit will be realized by the people of Ontario?

**Hon Dianne Cunningham (Minister of Intergovernmental Affairs, minister responsible for women's issues):** The taxpayers of Ontario are tremendously overburdened and the situation is compounded, as I think all members of this House would agree, by overlap of many programs and services between all levels of government.

We're not talking in any way about a power grab that some of us often hear about in the media; we're really talking about very clearly defining our own roles and responsibilities at all levels of government. In this way, many of my colleagues are having bilateral discussions with their ministries and with the ministries of the federal government and they're focusing on clarifying those roles and responsibilities. We are committed to efficiency and we are committed to making a long-overdue change, and we probably will have the support in this regard of all members of the Legislative Assembly.

**Mr O'Toole:** All the people in Ontario, including those in Durham East, commend you for your leadership in this area. What is your action plan for ending this overlap and duplication between the provincial and federal governments?

*Interjections.*

**Hon Mrs Cunningham:** I don't think some of my colleagues on the other side should be laughing in this regard. We have had some leadership in this area, and there has been a new process developed as a result of the last premiers' meeting in July. The advisers they had moving this agenda forward are the same people who are advising us, because this is particularly non-partisan and in the interests of all Canadians. There was a Ministerial Council on Social Policy Reform and Renewal, and I think that all the premiers will be looking at that policy in the next meeting of the premiers sometime in the summer. Although the Prime Minister has this report, I think he will be looking at it very carefully as well. We have called on the federal government for practical solutions, and those are the kinds of questions we are getting.

We think there are areas the federal ministers should just get out of. That's the kind of discussion we want to



have. As a matter of fact, we're looking forward to positive solutions.

#### NORTHERN ONTARIO HERITAGE FUND

**Mr Michael Gravelle (Port Arthur):** I have a question for the Minister of Northern Development and Mines. On April 4 in the House, with nearly unanimous all-party support, my colleague the member for Algoma-Manitoulin received legislative sanction, approval, for the return of \$60 million to the northern Ontario heritage fund that had been removed in the stealth of the night by the former government—\$60 million that belongs to northerners and is desperately needed for economic growth in our part of the province. The Premier expressed shock and dismay over the removal of this money from the fund. So far, the minister has not accepted his responsibility to get the money back into the fund.

If you wish to retain any credibility as minister, you have an obligation to return that money to the fund. My question is, will you announce today in this House that this money is to be put back into the heritage fund, and if not, when?

**Hon Chris Hodgson (Minister of Natural Resources, Northern Development and Mines):** I agree with the member's motion. I think most northern people in Ontario agree that the money was improperly taken out of the trust account. It was a board decision. It wasn't illegal, but the former NDP government stole the money from northerners and it had revenue retention. I'll take that into consideration and—

**The Speaker (Hon Allan K. McLean):** Order. I would ask the minister if he would withdraw the word he used.

**Hon Mr Hodgson:** Thank you very much, Mr Speaker. It wasn't illegally stolen. It was directed out of the account.

**The Speaker:** Will you withdraw it?  
*Interjection.*

**The Speaker:** You withdraw it. Thank you.

**Mr Gravelle:** That sounds like a no to me, Minister. Let me get this straight. Next week, the Minister of Finance is announcing a tax cut that will entail the borrowing of over \$2 billion by this government in this fiscal year alone, only a start towards the \$20 billion you'll be borrowing in the next few years to pay for the tax cut, yet you cannot find \$60 million for the north, \$60 million that belongs to us. You truly should be ashamed. You should do it now and change your mind. It's clear your commitment to the north is simply a sham.

Unless you wish to respond to me in a supplementary, let me go on. A couple of weeks ago, we learned further that the Minister of Transportation is removing \$20 million from the northern highways fund. As Minister of Northern Development, you've indicated that the heritage fund would now be used for road and capital work in the north. This is simply robbing Peter to pay Paul. You'd just be replacing money, taking it away from another area of essential northern need. This is shameful and underhanded. Those of us concerned about economic development in the north need to know if this is your intention. Will you tell us now? Is the northern Ontario heritage

fund to be used to replace moneys taken away by the Minister of Transportation?

**Hon Mr Hodgson:** I disagree with most of the premise.

The heritage fund: As he's aware, there will be announcements in the budget coming up next week. He knows I can't announce that today.

The infrastructure in the north: We're doing our best to prioritize our spending to make sure northerners' needs are listened to and met. He'll just have to wait for the budget next week.

I agree totally with his premise that it was inappropriate to take money that was dedicated for a specific purpose which had revenue retention, roll that into general revenue and then have that money spent throughout the province. Once money is spent, it's very hard to put it back. We're doing our best to get our finances in shape and also get this economy moving again. You'll have to wait and see.

#### SOCIAL ASSISTANCE

**Ms Shelley Martel (Sudbury East):** I have a question for the Minister of Community and Social Services. Last fall your Premier said it was not his intention to penalize social assistance recipients who get help from family and friends. He said, "Common sense tells me that you would expect family members, neighbours, community members to be helping."

In light of that comment, I wonder if the minister can explain the following situation to me: My constituent, Line Weirmeir, had \$100 deducted from her March family benefits cheque because she honestly told her case worker that in light of high shelter costs, her mom was helping her with food—not cash, but food. Can you explain why you're penalizing Line in this way?

**Hon David H. Tsubouchi (Minister of Community and Social Services):** First of all, I would appreciate very much if the member would send me particulars of the situation so we can look into it. She knows full well we can't comment on specific cases, but I certainly will look into the situation.

Last fall, my ministry sent a directive around to all the area offices to indicate clearly that we do support communities, neighbours and friends helping out people who really need that. Certainly I suspect and feel food would be in that category. We will look into it and I would appreciate your sending me the circumstances.

**Ms Martel:** The supposed clear guidelines about gifts, which you hope food is included in, actually went out in February, and Line's cheque was deducted in March of this year. What's needed from you is to state clearly that it's not the intention of this government to penalize people on social assistance when families are trying to help them out.

The fact is, in this case, in order to have the \$100 reinstated to her family benefits cheque, Line's mother had to send a letter to the case worker to say she was no longer giving food to her daughter. Now she has to get food from the Inner-City Home Food Bank in Sudbury. Instead of turning to her mother for help, she now has to turn to a food bank. How can you possibly justify that?



**Hon Mr Tsubouchi:** I indicated earlier on that if the member would provide me with some of the particulars, we will look into it. We sent a directive out to indicate that we do support friends and family helping out people who need the help.

1450

#### WORKERS' COMPENSATION

**Mr John Hastings (Etobicoke-Rexdale):** I have a question for the minister responsible for WCB reform. Recently in the Etobicoke media it was reported that an injured nurse from Etobicoke was required to take on a job as a rehabilitation worker with the WCB in order to continue receiving WCB benefits. Even though she wasn't even interested in the job and had wanted to take up retraining as an ultrasound technician, the pre-accident employer said she wasn't equipped to do the job.

My question for the minister deals with re-employment strategies. Minister, how will your proposals deal with the inflexible, uncustomer-like, unfriendly attitude of the WCB bureaucracy regarding this kind of situation involving this injured worker and many other similar workers in similar circumstances?

**Hon Cameron Jackson (Minister without Portfolio [Workers' Compensation Board]):** I'd like to thank my colleague for the question. I think members of this House would be interested in learning that Ontario spends about half a billion dollars on vocational rehabilitation in the province of Ontario, and yet we only repatriate to the workplace about 50% of our injured workers. It's an expensive system for employers who are paying for it, but it's also expensive for injured workers who aren't getting an opportunity to return to work.

During our consultations, injured workers indicated to us that what frustrates them is they want a more direct say in what future voc rehab will allow them to return to work. So we are looking at service delivery improvements, but we are also looking at voc rehab, which does the return to work of our injured workers. We're looking at incentives for re-employment; that clearly was set out in our discussion paper. We are looking at a self-reliant model where the injured worker can sit down with their employer and discuss labour market re-entry if it's not at their own work site. If they can't find work with their own employer, the system will have an agreement with them to develop a proper plan.

The fact is, the structure and the direction of return to work has been missing in workers' compensation, and our Premier reiterated that at our recent International Forum on Workers' Compensation, Health and Safety review.

**Mr Hastings:** I'd like to find out if the minister for WCB reform received any kind of new information from the recently held International Forum on Workers' Compensation, Health and Safety that was held in this province—

**Mr David Christopherson (Hamilton Centre):** No worker representation there.

**Mr Hastings:** —and I'd like to know what kind of pro-worker feedback delivery mechanisms you discussed at this particular conference that could help deal with the problems of WCB, unlike our friend from Hamilton Centre across the way.

**Hon Mr Jackson:** The fact is that injured workers in Thunder Bay suggested that we have a closer look at the reforms undertaken in Germany where they are leading European jurisdictions for returning injured workers to work and for rehabing those injured workers. They have very high success rates. We did have some representation from Germany at that conference.

We also had representation from Australia. They have a system which injured workers in Ontario consider very helpful and appropriate. In that jurisdiction you must have a return-to-work plan for each individual injured worker who's been on benefits and away from work for more than two weeks.

The Provincial Building and Construction Trades Council of Ontario participated in that forum and it made recommendations as well about more flexibility for older injured workers. They are looking that our future economic loss awards are more streamlined for older workers, who find that the WCB becomes a very insensitive institution for older workers. We are looking for low-cost, high-resolution solutions for injured workers in Ontario.

#### GASOLINE PRICES

**Mr James J. Bradley (St Catharines):** I have a question for the Minister of Economic Development, Trade and Tourism. I'll use a quote from the member for Quinte, who is trying to get his question on and has been prevented by his fellow members. It says as follows: "Today I would like to speak about an issue on the minds of every motorist in the province, and that's the price of gasoline."

Minister, when my colleague Mr Colle, the member for Oakwood, asked you this question in the month of April about gas prices, you said you had "been to other provinces and other countries" and "actually Ontario motorists enjoy the most competitive gasoline prices, I think, in the world."

Minister, now that virtually all of the stations in Metropolitan Toronto and southern Ontario are charging 60 cents per litre, are you still satisfied that the people of Ontario are paying the most competitive price for gasoline in the world?

**Hon William Saunderson (Minister of Economic Development, Trade and Tourism):** To the member for St Catharines, I would say that of course we are always concerned about a price of a commodity that is very vital to all of us and to business as well. If he was, and I'm sure he is, perusing the foreign press these days, he will see that the price of fuel is much higher than it was earlier on this year. There are various reasons for that, and we monitor these things very carefully. But I think, overall, Ontario is well served.

**Mr Bradley:** The US Department of Justice this past week launched an investigation into price fixing and gouging in the field of oil prices. Your member for Peterborough said the following: "The average price of a barrel of oil is presently at a four-year low when averaged over the entire year. Investment experts in the price of crude oil have indicated that a moderate increase in the price of one barrel of oil should not affect consumers at all. They've also indicated that a small increase should not affect consumers for at least six months."



"People are increasingly concerned about 10- and 15-cent-per-litre price hikes." This is the member for Peterborough joining my colleague the Liberal transportation critic, Mr Colle, in a crusade against these high prices.

I ask the minister, now that the prices are so high—and I'm sure all of us, regardless of our political background, believe this to be the case—are you prepared—because we count on you in Ontario, and I know you're concerned about trade, and I know you're concerned about tourism—to approach the oil companies at this time, as our provincial minister, to indicate to them your dissatisfaction with the gouging that's taking place of Ontario consumers and those visiting our province?

**Hon Mr Saunderson:** I think what should happen is that the member for St Catharines should perhaps approach his friends in Ottawa, because I think that's their responsibility. I might say there are going to be quite a lot of the members from Ottawa over in Hamilton in the next few months defending a certain person there who was forced to do something she really didn't want to do. I suggest they go to Hamilton and confront their member from Ottawa.

**The Speaker (Hon Allan K. McLean):** The time for oral questions has expired. Motions

## BUSINESS OF THE HOUSE

**Hon David Johnson (Chair of the Management Board of Cabinet):** Pursuant to standing order 55, on behalf of the government House leader, I wish to indicate the business of the House for the week of May 6, 1996.

On Monday, May 6, we will continue with second reading of Bill 36, An Act to amend certain acts administered by the Ministry of Natural Resources, after which we hope to complete committee of the whole and third reading of Bill 38, the Toronto Islands Amendment Act.

**The Speaker (Hon Allan K. McLean):** The minister is out of order, because we're into motions and then petitions is next and then that would be the proper time to give your statement with regard to orders of the day.

Could I have the unanimous consent of the House for him to proceed? Agreed? Agreed. Proceed.

**Hon David Johnson:** As was announced earlier this week, the Minister of Finance will give his budget address on Tuesday, May 7, at 4 pm.

On Wednesday, May 8, the official opposition will respond to the budget, after which the House will adjourn.

On Thursday morning, private members' business, we will consider ballot item number 27, standing in the name of the member for Algoma, and ballot item number 28, standing in the name of the member for Peterborough.

On the afternoon of Thursday, May 9, the NDP will respond to the budget, after which we will go into normal rotation of speakers.

1500

## PETITIONS

### RENT REGULATION

**Mr Alvin Curling (Scarborough North):** I have a petition to the Legislative Assembly of Ontario.

"Whereas the Rent Control Act protects Ontario's 3.3 million tenants and allows for security and stability in their homes and communities; and

"Whereas lifting rent control in Ontario would leave tenants with uncontrollable rent increases and financial instability; and

"Whereas the Progressive Conservative government is considering changes to the Landlord and Tenant Act favouring easier and faster evictions by landlords;

"We, the undersigned, petition the Legislative Assembly of Ontario to save rent control."

I affix my signature with many of those who have signed this petition.

**Mr Gilles Bisson (Cochrane South):** I have here yet another petition from the people concerned with regard to the government's scrapping of rent control, and it reads as follows:

"Whereas the Mike Harris Conservative government of Ontario is planning to destroy the present system of rent control;

"Whereas Mike Harris and the Conservative Party made no mention of scrapping rent control during the election campaign of 1995 or in the Common Sense Revolution;

"Whereas a number of Conservative candidates in ridings with high tenant populations campaigned during the 1995 election on a platform of protecting the current rent control system;

"Whereas the government has consulted with special-interest groups representing landlords and developers while cutting funding to organizations representing the 3.5 million tenants in Ontario;

"Whereas eliminating rent control will result in skyrocketing rents in Ontario;

"We, the undersigned, call upon the Legislature of Ontario to stop the attack on the 3.5 million tenants of this province."

I affix my signature to that petition.

## TAXATION

**Mrs Julia Munro (Durham-York):** I have a petition pertaining to tax cuts signed by approximately 20 of my constituents. It appears to be in the standard form, and I'm submitting it on their behalf today.

## NORTH YORK BRANSON HOSPITAL

**Mr Monte Kwinter (Wilson Heights):** I have a petition to the Legislative Assembly of Ontario.

"Whereas the final report of the Metropolitan Toronto District Health Council hospital restructuring committee has recommended that North York Branson Hospital merge with York-Finch hospital; and

"Whereas this recommendation will remove emergency and inpatient services currently provided by North York Branson Hospital, which will seriously jeopardize medical care and the quality of health for the growing population which the hospital serves, many being elderly people who in numerous cases require treatment for life-threatening medical conditions;

"We petition the Legislative Assembly of Ontario to reject the recommendation contained within the final



report of the Metropolitan Toronto District Health Council hospital restructuring committee as it pertains to North York Branson Hospital, so that it retains, at minimum, emergency and inpatient services."

I have affixed my signature.

#### CHILD CARE

**Mrs Marion Boyd (London Centre):** I have a petition to the Ontario Legislature.

"Whereas the children of Ontario deserve accessible, quality child care;

"Whereas the child care review committee of the Harris Conservative government is considering cutting subsidies to child care and threatening to introduce user fees;

"Whereas the Harris Conservatives are also contemplating a number of changes to current child care legislation that would lower licensing standards so that child care centres would be required to renew their licences only every three years;

"Whereas the child care committee of the Conservative government has discussed handing the enforcement of regulations over to a self-regulating body;

"Therefore we, the undersigned, call upon the Legislature of Ontario to ensure that child care subsidies are restored to the level introduced by the previous NDP government, that licensing standards be maintained at the current level, and that the Conservative government ensure that the enforcement of regulations not be devolved to the child care industry."

I have affixed my signature to this petition, which has numerous signatures from people in both London and the Middlesex area.

#### EDUCATION FINANCING

**Mr Leo Jordan (Lanark-Renfrew):** I have a petition to the Legislative Assembly of Ontario.

"Whereas the Ministry of Education is asking all school boards in Ontario to reduce spending; and

"Whereas some boards, such as the Lanark County Board of Education, have already achieved significant savings and had their funding cut in previous years; and

"Whereas some boards have a much lower assessment base;

"Be it therefore resolved that we, the undersigned, respectfully request the Ministry of Education and the government of Ontario to make financial assistance available to such affected boards."

This is signed by the trustees and staff of the Lanark county board.

#### PRESCRIPTION DRUGS

**Mr Tony Ruprecht (Parkdale):** I have a petition for the Minister of Health and the assembly of Ontario.

"Whereas the Ministry of Health will begin to charge seniors and social assistance recipients a \$2 user fee for each prescription filed on June 1, 1996; and

"Whereas health care experts have assessed that user fees for drugs could jeopardize the health of individuals who cannot afford to pay for their medication; and

"Whereas Ontario's ex-psychiatric patients rely heavily on prescription drugs to remain stable and mental health care providers and the general public are scared of the outcome if these patients cannot afford to buy their medication because of the \$2 dispensing fee, when it is normal policy to only prescribe them two to three days of medication to prevent overdosing or misuse of drugs;

"Whereas the perceived savings to health care from the \$2 copayment fee will not compensate for the suffering and misery caused by this user fee and will not even cover the costs of extra emergency services, nor repeated hospital services. The \$2 copayment fee will consequently not lead to cost savings but rather increases in the case of expensive health care services;

"We, the undersigned Ontario residents, strongly urge the government of Ontario to repeal this user fee before it takes effect on June 1 because of the potential dramatic increase in emergency and police services, and the suffering and misery of human lives—especially psychiatric outpatients and those who depend on medication for their daily survival."

I've affixed my signature to this document.

#### ST THOMAS PSYCHIATRIC HOSPITAL

**Mr Peter North (Elgin):** I have more of the 16,000 signatures to save the St Thomas Psychiatric Hospital.

"To the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the Parliament of Ontario as follows:

"That a recommendation by the psychiatric hospitals restructuring committee to close the St Thomas Psychiatric Hospital be rejected.

"We believe the restructuring committee has not fully considered the case for retaining St Thomas Psychiatric Hospital.

"We believe the hospital and the community of St Thomas provide care and caring for psych patients which is equal to and better than London.

"We believe closure of the St Thomas Psychiatric Hospital will have a devastating impact on the economy and residents of St Thomas and Elgin county.

"We believe London can better absorb the impact of closure of the London Psychiatric Hospital.

"Finally, we believe it would be cheaper for government to retain the St Thomas Psychiatric Hospital in terms of capital improvements required for both facilities.

"Therefore, we request that the government refrain from endorsing and implementing the recommendation to close St Thomas Psychiatric Hospital."

I'll affix my signature to it.

#### ST JOSEPH'S HOSPITAL

**Mr David Christopherson (Hamilton Centre):** The fight to keep and save St Joseph's Hospital in Hamilton continues. I have further petitions to the Minister of Health and the Hamilton-Wentworth District Health Council.

"Whereas the Hamilton-Wentworth Health Action Task Force, as part of their report, has recommended the closure of St Joseph's Hospital in Hamilton; and



"Whereas it is recognized the health care system should be made as efficient as possible; and

"Whereas the health care service in our community should not be sacrificed in the name of efficiency; and

"Whereas the Mike Harris government promised to protect the quality of health care in Ontario; and

"Whereas we, the undersigned, believe that maintaining the presence of St Joseph's Hospital in downtown Hamilton is a vital component of our health care system;

"Therefore, be it resolved that the Minister of Health and the Hamilton-Wentworth District Health Council ensure the continuance of St Joseph's Hospital at its present site."

I continue to support these petitions.

### EDUCATION FINANCING

**Mr John O'Toole (Durham East):** Earlier today, I was privileged to meet with many students from all over the Durham region. The students were here to speak to the Minister of Education and Training and indeed to present him with a couple of T-shirts and petitions. The petition reads as follows:

"To the Legislative Assembly of Ontario:

"Ontario students are concerned with funding reductions to education. Furthermore, students have requested the opportunity to meet with and work with both the Minister of Education and their MPP for Durham East.

"Therefore, we petition both the minister as well as our local MPP to meet with and listen to the students' concerns and suggestions before any further education reductions."

I am pleased to sign my name to the petition.

1510

### RENT REGULATION

**Mr Mario Sergio (Yorkview):** I have a petition from the residents of 35 Shoreham Drive in North York petitioning the Legislative Assembly of Ontario and it reads as follows:

"Whereas the Rent Control Act protects Ontario's 3.3 million tenants and allows for security and stability in their homes and community; and

"Whereas lifting rent control in Ontario would leave tenants with uncontrollable rent increases and financial instability; and

"Whereas the Progressive Conservative government is considering changes to the Landlord and Tenant Act favouring easier and faster evictions by landlords;

"We, the undersigned tenants of 35 Shoreham Drive in North York, petition the Legislative Assembly of Ontario to save rent control."

I agree with the content of the petition and I will affix my signature to it.

### COLLEGE OF TEACHERS

**Mr Ted Arnott (Wellington):** A petition to the Ontario Legislature and it reads as follows:

"Whereas the public secondary teachers of Ontario have taken a workplace democracy vote in accordance with Bill 7 and have rejected the proposed College of Teachers by a 94.8% margin;

"We, the undersigned, urge the provincial assembly to instruct the government to withdraw Bill 31, the Ontario College of Teachers Act, 1995."

### ALZHEIMER RESPITE CARE

**Mr James J. Bradley (St Catharines):** This petition is to the Honourable Lieutenant Governor and the Legislative Assembly of Ontario.

"Whereas the Niagara region has one of the highest per capita populations of seniors in the province of Ontario; and

"Whereas the Niagara region ranks 32nd out of 38 health regions in long-term-care funding and that more individuals wait for support services from the March of Dimes than those who actually are served by it; and

"Whereas Alzheimer patients who critically depend on support services in order to cope in a more humane way with this devastating illness continue to suffer from unacceptable delays in receiving respite care; and

"Whereas more than half of all Ontario families waiting for Alzheimer-related respite care reside in the Niagara area;

"We, the following undersigned citizens of Ontario, beg leave to petition the Parliament of Ontario to adopt the plan by the Niagara Regional District Health Council which would help improve the way vulnerable people are treated in the Niagara area."

I affix my signature to this petition as I agree with its contents.

### WORKERS' COMPENSATION

**Mr David Christopherson (Hamilton Centre):** I have a petition to the Legislative Assembly of Ontario, Premier Harris and Minister Jackson regarding saving workers' compensation.

"We, the undersigned, oppose your government's plan to dismantle the workers' compensation system, including reducing benefits, excluding claims for repetitive strain injuries, muscle injuries, strains, sprains, stress, harassment and most occupational disease, eliminating pension supplements, handing over control of our claims to our employers for the first four to six weeks after injury, privatizing WCB to large insurance companies, integrating sick benefits into WCB, eliminating or restricting the Workers' Compensation Appeals Tribunal (WCAT) including eliminating worker representation on the board; and eliminating the bipartite WCB board of directors.

"Therefore, we demand a safe workplace, compensation if we are injured, no reduction in benefits, improved re-employment and vocational rehabilitation, an independent appeals structure with worker representation, that the WCAT be left intact and that the WCB bipartite board of directors be reinstated."

I affix my signature also.

### EDUCATION FINANCING

**Mr Mario Sergio (Yorkview):** I have a petition addressed to the Legislative Assembly of Ontario and I'll read it.

"Whereas the Minister of Education and Training has gone on record stating that the government is deeply



committed to an educational system that delivers excellence; and

"Whereas the Progressive Conservative government is cutting funding support for elementary and secondary education by over \$400 million; and

"Whereas by reducing grants to boards such as the MSSB, which can be shown to be well under the targeted expenditure levels for administration and operational support, the minister has penalized the very boards which have been extremely prudent and frugal in their non-classroom spending; and

"Whereas the so-called equalization payments are indirect taxation without representation because there is no guarantee that they will be used to offset reductions in educational transfers;

"We, the undersigned residents of North York, petition the Legislative Assembly of Ontario to ensure any reduction to expenditure levels are implemented in a fair and equitable manner to both grant-dependent and negative-grant-position school boards."

I am supporting the content of the petition and I will affix my signature to it.

#### LIQUOR CONTROL BOARD OF ONTARIO

**Mr James J. Bradley (St Catharines):** I have a petition addressed to the government of Ontario.

"Whereas the government of Ontario appears to be moving towards the privatization of retail liquor and spirit sales in the province; and

"Whereas the LCBO provides a safe, secure and controlled way of retailing alcoholic beverages; and

"Whereas the LCBO provides the best method of restricting the sale of liquor to minors in Ontario; and

"Whereas the LCBO has an excellent program of quality control of the product sold in its stores; and

"Whereas the LCBO provides a wide selection of product to its customers in modern, convenient stores; and

"Whereas the LCBO has moved forward with the times, sensitive to the needs of its customers and its clients; and

"Whereas the LCBO is an important instrument for the promotion and sale of Ontario wine and thereby contributes immensely to the grape-growing and wine production industry;

"Therefore, be it resolved that the government of Ontario abandon its plan to turn the sale of liquor and spirits over to private liquor stores and retain the LCBO for this purpose."

I affix my signature to this petition as I'm in agreement with its contents.

#### ADJOURNMENT DEBATE

**Hon Cameron Jackson (Minister without Portfolio [Workers' Compensation Board]):** Mr Speaker, I think you'll find that there is unanimous consent to defer the late show originally scheduled for today until Thursday, May 9.

**The Acting Speaker (Mr Gilles E. Morin):** Agreed? Agreed.

#### REPORTS BY COMMITTEES

##### STANDING COMMITTEE ON SOCIAL DEVELOPMENT

Mr Smith from the standing committee on social development presented the following report and moved its adoption:

Bill 30, An Act to establish the Education Quality and Accountability Office and to amend the Education Act with respect to the Assessment of Academic Achievement / *Projet de loi 30, Loi créant l'Office de la qualité et de la responsabilité en éducation et modifiant la Loi sur l'éducation en ce qui concerne l'évaluation du rendement scolaire*

Bill 31, An Act to establish the Ontario College of Teachers and to make related amendments to certain statutes / *Projet de loi 31, Loi créant l'Ordre des enseignants et des enseignantes de l'Ontario et apportant des modifications connexes à certaines lois.*

**The Acting Speaker (Mr Gilles E. Morin):** Shall the report be received and adopted? Agreed.

Shall Bill 30 be ordered for third reading? Agreed.

Shall Bill 31 be ordered for third reading? Agreed.

1520

#### INTRODUCTION OF BILLS

##### MINISTRY OF AGRICULTURE, FOOD AND RURAL AFFAIRS STATUTE LAW AMENDMENT ACT, 1996 LOI DE 1996 MODIFIANT DES LOIS EN CE QUI CONCERNE LE MINISTÈRE DE L'AGRICULTURE, DE L'ALIMENTATION ET DES AFFAIRES RURALES

Mr Villeneuve moved first reading of the following bill:

Bill 46, An Act to amend or revoke various statutes administered by or affecting the Ministry of Agriculture, Food and Rural Affairs and to enact other statutes administered by the ministry / *Projet de loi 46, Loi modifiant ou abrogeant diverses lois appliquées par le ministère de l'Agriculture, de l'Alimentation et des Affaires rurales, ou qui touchent ce ministère, et visant à édicter d'autres lois appliquées par le ministère.*

**The Acting Speaker (Mr Gilles E. Morin):** Is it the pleasure of the House that the motion carry? Carried.

**Hon Noble Villeneuve (Minister of Agriculture, Food and Rural Affairs, minister responsible for francophone affairs):** This very important piece of legislation will lay the groundwork for future growth in Ontario's farming, food and rural sectors. It will recognize the major contribution that the agriculture and food industry in rural communities make to the economic growth and wellbeing of the province of Ontario.

Ce projet de loi veut établir les bases de la croissance future des secteurs agricole, alimentaire et rural en Ontario.

The Ontario agrifood and rural business bill includes the legislative changes necessary to help OMAFRA focus



on such priority areas as research and technology transfer; investment attraction and advocacy; market development; and rural economic development.

The government's objective is not only to maintain Ontario's strong agricultural base, but also to help the industry move in bold new ways. It is a bill that prepares the way for innovation and demonstrates that we can do better with less in the province of Ontario.

#### CITY OF TORONTO ACT (TRAFFIC CALMING), 1996

Ms Bassett moved first reading of the following bill:  
Bill Pr54, An Act respecting the City of Toronto.

**The Acting Speaker (Mr Gilles E. Morin):** Is it the pleasure of the House that the motion carry? Carried.

#### CITY OF TORONTO ACT, 1996

Ms Bassett moved first reading of the following bill:  
Bill Pr55, An Act respecting the City of Toronto.

**The Acting Speaker (Mr Gilles E. Morin):** Is it the pleasure of the House that the motion carry? Carried.

### ORDERS OF THE DAY

#### TORONTO ISLANDS AMENDMENT ACT, 1996 LOI DE 1996 MODIFIANT LA LOI SUR LES ÎLES DE TORONTO

Resuming the adjourned debate on the motion for second reading of Bill 38, An Act to amend the Toronto Islands Residential Community Stewardship Act, 1993 / Projet de loi 38, Loi modifiant la Loi de 1993 sur l'administration de la zone résidentielle des îles de Toronto.

**The Acting Speaker (Mr Gilles E. Morin):** I believe the member for Yorkview had the floor last time.

**Mr Mario Sergio (Yorkview):** I am pleased to begin the debate where I almost started yesterday. I wish to add my comments to the comments that were made yesterday on this particular bill, which is very, very important. I will hopefully bring some more information that the House hopefully will take into consideration when we get to the voting time.

As was said yesterday, this has been pitting the residents, the tenants of the islands against the rest of the people of Ontario, especially those in Metro, for a very long time. This issue was very hot, especially for the members who are within Metro, the GTA region. Perhaps those far beyond or who come from northern riding or the far east and west may not be so acquainted with the acrimonious debate which took place regarding the infamous market value assessment and the non-passage of the same when we were dealing with the issue of the land lease on the island.

What we have now is a heck of a lot more than a sweet deal. If the residents of Metro and Ontario were upset, were appalled at the deal which was made for the island people, we were not surprised. There are still now today, as we speak, many people who find it very

difficult to provide for themselves and their families, there are many seniors in my own riding who find it very difficult to pay all the bills and continue to live in their own little home, while we have made very special arrangements for a very few people on the islands.

Yesterday we heard the Conservative speakers and some from the former government, the NDP side, telling the Liberals they did it, they didn't solve the problem. Why didn't they?

This has been an issue that has been a problem since 1954, 1955, 1956. To the Conservative members I'd like to say: You were in power for over 40 years. Why didn't you settle this issue? As the member for Scarborough East was saying yesterday, let's deal with this issue once and for all.

I don't want to steal a page from their book when they say, "This is great and we can support it in principle, but—"; I'm not going to say that, because even though it does a little bit, it helps the situation a little bit, I'm going to support it, because I think it helps to solve, to bring about a lasting solution to the island problem.

They have a chance now again as a government to bring a lasting and final solution to this issue. The member for Mississauga East was saying yesterday that what goes around comes around, meaning that this issue is going to be afflicting the Liberals and the NDP. Let me remind you once again that for over 40 years the Conservative had a chance to bring a lasting solution to this problem. Now the issue has come around again. They are back in power and they could really bring a lasting solution to this particular problem.

But what we are seeing today is another little bit. It's a Band-Aid; it's not a complete solution. If it was not for grandstanding or politicking, we wouldn't be here today discussing this particular issue. We could be dealing with some other matter. We wouldn't be taking the time of our staff and yourself, Mr Speaker, or that of the House, because they could have dealt with this particular issue by a regulation by their own government.

To waste time in this House and play politics and accuse the two opposition sides is nothing less than pure politics. They could solve this problem, which is repealing the provisions for the non-profit housing corporation established under the NDP government, without bringing it to the House, simply by a government regulation. But they have chosen of course to bring it out into the open, in front of the cameras, so they could say: "This is what we are doing. We are repealing what the NDP has done." Big deal. They have already said that.

I'm not going to let the NDP off the hook on this particular one. They have made a total mess with respect to non-profit housing and allowing—not suggesting, but allowing—100 units of co-op housing on the Toronto Islands. That was a total disgrace and the people of Metro have responded to that. When I say "to that," it's not that I'm speaking in opposition to affordable housing, co-op or whatever. We have said all along, even when I was in my 16 years on North York, that affordable housing is a provision we have to look for, we have to provide the people with, but there is a cost, there is a price and there is a way. While the NDP was trying to give money to all



kinds of developers at a price in Metro of \$158,000, real estate people were selling condominium units for \$90,000. You tell me where the logic was in those days.

No wonder we were feeling outraged when they came up with the proposal that now we will let—the member for Etobicoke-Rexdale called it the Flying Toad—a corporation build 110 non-profit units on the islands. I think it was marshland or under flood control or stuff like that. I tell you, there was an uproar all over the place. The city of Toronto was against, Metro was against, the people were against, but in their wisdom, the NDP went ahead with it.

1530

Today we have a bill, Bill 38, which proposes to change two major components of what had been done before. The act intends to repeal that particular provision for a non-profit housing corporation, the so-called Flying Toad, and there are fundamental changes to the composition of the Toronto Islands Residential Community Trust Corp. That's fine. As I said before, these changes could have been brought about, done, introduced, by their own government without bringing it to the House. The other thing is, they just have to say, as they did before—they already stopped all funding for non-profit housing. They could have said, "There is no funding; therefore, there is no corporation."

But I'm pleased to support the bill as it has been presented, because at least it formalizes these particular two aspects, and that is the elimination, if you will, of building 110 co-op houses on the islands, and the changes made to the composition of the trust.

If the government wishes to continue to support tenants and co-ops, and I believe there is a place at a proper price, there are many other areas where the government could make that particular provision, but of course today we are faced with a lot more than that. Instead of providing exactly that and finding ways and means to provide affordable housing for the many thousands of residents in Ontario, they have totally said, "Let's stop." Not only that, but they will eliminate rent control, which will put many, many tenants in a serious and precarious situation.

It is not surprising if the Conservatives feel there is support for this type of regulation. There was an uproar when this was introduced, because the rest of the taxpayers in Ontario, especially those in Metro, who paid the highest taxes in Ontario, if not Canada, were feeling outraged because they felt there are many citizens within the city of Toronto here who can't even afford to take a trip during the summer and visit the island and enjoy the open spaces, enjoy the fresh air, walk around, take a bike without the concern of being hit by a car or stuff like that.

Why didn't the previous government take that into consideration and say—you know what? In 1980—I think the government side should know that—it was their own government that said: "For 25 years and no more. No renewal leases beyond the term of 25 years." So what happens? In 1993 we have the NDP government that gives them a wonderful deal of a 99-year lease, until the year 2092. If you were a homeowner, a senior living on a pension, if you were a single wage earner, if you were a single parent who could barely afford to stay in your

home or make ends meet, I think you would feel outraged as well.

There are people in Metropolitan Toronto, let alone the rest of Ontario, who can't afford rent any more. With all the cuts that the present government is imposing, they can hardly afford to live in a one-bedroom or two-bedroom or subsidized housing. They just can't afford it. Wouldn't you feel irritated that these people have got now a lease for 99 years at the cost of \$30 a month? I would, and I would say the rest of Ontario feels the same way.

I would say to the minister that while I applaud the idea of formalizing this issue and hopefully bringing this to a complete solution in the year 2092, I would seriously urge the minister, instead of dealing with this tidbit of affair, which he could have cleaned simply by introducing a regulation, to deal with tax reform within Metro. That's the issue and I urge the minister to deal with this particular issue.

He's already three months late to deal with the GTA. When this item comes back, we are going to have another round of acrimonious debate, and no wonder. The problem continues to persist. The problem continues to affect the many thousands of people who, on a daily basis, we are seeing their potentials being threatened, we are seeing their incomes reduced, we are seeing their jobs lost, we are hearing more cuts coming, and how will they feel? So rightly so.

Therefore, I am not totally opposed to the fact that this brings a little bit of justice, but we have to take into consideration those people who are being affected by decisions by the government, especially when it affects the rest of the people of Ontario. It's not only that they are living on the island scot-free, if you will; they haven't been paying any rent since 1981. Even today, no one, either Metro, the city of Toronto or the provincial government, has been able to say, "We will accept this amount," and let's get it over with. They are not even paying rent since 1981. Do the rest of the people of Ontario know that? No, they don't. They don't know that. So if we feel that the people are irritated, there is good reason why they are being irritated.

The issue that was pinning the two sides apart was the very hot issue that perhaps the members from ridings outside of Metro are not too familiar with. It is this huge issue that is splitting Metro and the residents of the island. As I said before, unless we bring some equity to the antiquated system within Metro and Ontario, if you will—but Metro is being hit hard. For the sake of me, I have to ask the minister why he's waiting so long, why he's being conned by his own caucus members and the Premier and the finance minister, why he's not being more straightforward and saying, "Look, if we don't bring justice to Metro, justice to the GTA, we are going to have a ghost town, especially at the core of the city of Toronto."

When it's convenient for us, we hear members from all sides, especially from the government side, saying, "Hey, Ontario is the economic engine of Canada." When it's convenient, we all say that. We keep forgetting one very important thing: that Metropolitan Toronto is the engine of Ontario, and if we let this engine die here in Toronto,



in Metro, Ontario will suffer and so will the rest of Canada.

Let's think for a moment what this is doing really, what this is doing to Metropolitan Toronto and especially the core. The minister knows very well, because he has been connected for a number of years with the regional government of Metropolitan Toronto. He has been serving under that government for many years. He was an employee of the TTC, the chairman, for many years, so he knows full well the particular problem that Metro is going through, and it's not going away. It's getting worse. He knows that Metro is subsidizing the region by 30%.

1540

I haven't heard the minister once come into this House and say: "Mr Premier, Mr Finance Minister, members of this House, we have a huge problem here and we've got to deal with it because if we don't deal with it, Metro is going to suffocate; Metro is going to die. Business are going to go to Mississauga, to Hazel McCallion's country; they're going to go to Markham; they're going to go to York region, the city above Toronto."

**Mr John Hastings (Etobicoke-Rexdale):** It's dead.

**Mr Sergio:** I hear the member for Etobicoke-Rexdale saying it's dead; it's already dead. I can appreciate what the member is saying. If he realizes, being a member from the northwest area of Metropolitan Toronto, that Metro is indeed already dying, I wonder if he brings this to the attention of his caucus or to the attention of the minister. Being a former councillor in Etobicoke, I wonder if he's aware that 80% of the homes in Etobicoke under market value assessment, or AVA as it called, would be receiving a very hefty reduction and so would every other municipality within Metro.

This is the issue. This is the solid issue that I think the government and especially the minister should be taking a lead on. This is an area where they can show some real leadership, not meaningless items such as this one here which they could have done away with without bringing it to this House.

I would have a lot more to say, but I can see that the House is very quiet today and it's Thursday, and perhaps a lot of the members went ahead to their ridings, and I can understand that too, but I do implore the minister to deal with the GTA. Don't let the Golden report go away, die on the shelf. This is the third report done by the government, to the tune of millions of dollars, and I'm imploring the minister to fight for the people of Metro and the people of Ontario.

I will end my presentation by saying that the bill does not solve all the problems associated with the islands. It brings some fairness, and I'll be willing to support that.

**The Acting Speaker:** Questions or comments?

**Mr Rosario Marchese (Fort York):** Just a few responses to what the member for Yorkview said. First of all, I should say that it's the Metro politicians who have been the most hostile to the islanders, not the community. I haven't had one call that I can remember where a constituent of mine or somewhere in Metro called and said, "This is terrible," other than my good friend from Mississauga West making the case that this was bad and other Metro politicians saying this was bad—

**Mr David S. Cooke (Windsor-Riverside):** Etobicoke West.

**Mr Marchese:** Etobicoke West. Sorry. What did I say?

**Mr Cooke:** Mississauga.

**Mr Marchese:** So there were a lot of Metro politicians but certainly not the general public. That is not the case. The city of Toronto has been supportive for many years. Yes, there have been some individual politicians who were not supportive of the island and the islanders and having a permanent community there, but other than some Metro politicians, it is unfair to say that the general public was against.

He also equates that this deal we made with the islanders restoring some peace and restoring some equity to those people was so bad that given that there are so many poor in this province, this deal somehow makes the poor poorer. It's outrageous to make a comparison that says there are poor people out there and we shouldn't be doing this for the islanders. I think it's outrageous that we should be making that kind of statement and comparison.

I also would remind him again, as I reminded his colleague yesterday, his Premier, Mr Peterson, committed himself to restoring peace to the islanders, creating a permanent residential community on the island. He broke that promise. He clearly forgets what his leader had said, and I want to remind him and his colleagues that they broke their promise in this regard, and we kept it.

**Mr Chris Stockwell (Etobicoke West):** I think a few points of interest were made, and clarification should be made as well to some of the comments.

First off, the city of Toronto was in favour, yes, as a majority of council it was in favour—there were those who were opposed—but let's be clear. The city of Toronto sold the property to Metropolitan Toronto many years ago, because they didn't want the responsibility of the island, and they sold it to a duly elected metropolitan council who on a number of occasions were challenged in a court of law by all sectors within the island community, and each time they were challenged, right up to the Supreme Court of Ontario, it was ruled that Metropolitan Toronto was in fact legally right, correct, and they should have in fact acted the way they did act, which was to declare the land public open space.

On the question with respect to funding, it's interesting. The member across the floor says that the tax cut this government is offering is a tax cut for the rich, it's not going to benefit the poor, but he can't seem to understand that by not taking the value of this property, if you're going to leave housing there, and selling it for value, for what the market would bear, and many would say \$250,000 or \$300,000 for those units on the island—

**Mr Marchese:** Come on, Chris. What are you talking about? Etobicoke West?

**Mr Stockwell:** Let's please be serious. When you were doing this deal, many times—\$250,000 is clearly understated as value for that property. If Mr Marchese is arguing that point, I'm afraid he's totally shortsighted and naïve with respect to property values on the island. You could have taken that money and invested it in any number of programs the province runs, but they chose not to do that. They chose to leave it as an enclave for the socialist élites of Metropolitan Toronto so they could



have a place to live, compare socialist notes in the clubhouse, be subsidized across the island at the highest level and be given public, open space parkland as their home. For heaven's sake, they "kept their promise." Who are you keeping your promise to? Your socialist enclave friends.

**Mr James J. Bradley (St Catharines):** I am surprised to hear my very good friend the member for Etobicoke West slowly edging towards the position of—may I say it without offending him—government apologist. I can remember when he was very vociferous and quite an independent-minded individual.

I know he must be very concerned about the contents of this bill, because I well remember his speeches in the Legislature and I admired him. When he got up there with fire in his eye and fire in his voice and vehemently put the case that he thought was most appropriate, I really admired that. I'm having a fear now that he's somehow edging his way back into the inner circle. I don't know whether it's the influence of the chief government whip, who is quite influential. He was prompting the Minister of Economic Development, Trade and Tourism just a little while ago. I don't know what it is.

I want to indicate that the new president of the press gallery is Richard Brennan, serving his sixth term; vice-president, Jeff Harder, Toronto Sun; vice-president, electronic, Raj Ahluwalia, CBC Radio; treasurer, Randy Rath, CHCH-TV in Hamilton. Congratulations also to Jim Coyle, columnist for the Ottawa Citizen, who coached the Cameroon soccer team for six-year-olds to the championship of the Pele soccer league.

I want to say as well that I appreciate the debate that's taking place here. For the new members of the Legislature, this is an example of a very difficult problem to resolve. This is probably one where every party wishes there wouldn't be a recorded vote this afternoon.

**Mr Hastings:** I'd like to go back to the comments made by the member for Yorkview regarding how this bill was introduced to the House and the lack of necessity for introducing it. If I heard him correctly, he was saying that this government could simply have resolved the problem through regulation. If that's so, then he'd probably be the first on his feet saying: "Why didn't you consult the Legislature? Why weren't you involved in debate on such an important subject?" Does that mean he advocates that you could do this in about every instance? I doubt it very much.

I'm glad to hear that the member for Yorkview at least supports some elements of the bill, but I'm a bit confused as to where his colleague from Oakwood is coming from, because I thought I heard on the first day of this debate that the member for Oakwood was not supportive of the bill. If that be the reality—I hope I'm wrong—then here we go again with two different positions on such a significant item of legislation as this. Can't you guys in the caucus get together and say hello to each other and debate the merits and come to a reasonable accommodation on this issue? Surely to goodness that's a simple thing to overcome.

I'm glad to hear the member for Yorkview recognizes that we have a problem regarding the assessment methodology we have to deal with in Metro Toronto, but I think

this is not the forum in which to debate this particular item. The real focus ought to be on whether we have resolved most of the problems regarding the island homes and the capacity of the previous government to put a non-profit in a floodplain. That's the real issue.

**The Acting Speaker (Ms Marilyn Churley):** Thank you. Your time is up.

1550

**Mr Sergio:** I'm pleased to respond to some of the comments, especially to the member for Fort York. I don't blame him. How can I blame him? I think he's doing his job. He's supporting his constituents, therefore he's speaking in support of providing additional housing on the island.

What I'm concerned about is that he mentioned these are poor people. Well, if these are poor people, there are other ways and other places to accommodate perhaps more people with the same amount of money, instead of providing 110 units. We have just heard from the list that was provided that those are not poor people living on the island. They are people who have a cottage, if you will, on the island, which they live in at their whim. They also have a very expensive house across the lake on the mainland, within Metropolitan Toronto. So to the member, if you call those poor people, then I would say provide that affordable housing in many other locations within the city.

With respect to bringing peace and security to the island, I think this is the wish of everyone, but there is a way you can provide decent, clean, peaceful, affordable housing where you're not going to infringe on parkland, which is a sacrosanct right on behalf of all the people of Ontario. I think we should strive to make sure that parkland is always protected for the enjoyment of all the residents of Ontario and all the taxpayers of Ontario.

**The Acting Speaker:** Mr Leach has moved second reading of Bill 38. Is it the pleasure of the House that the motion carry? Carried.

*House in committee of the whole.*

## TORONTO ISLANDS AMENDMENT ACT, 1996

### LOI DE 1996 MODIFIANT LA LOI SUR LES ÎLES DE TORONTO

Consideration of Bill 38, An Act to amend the Toronto Islands Residential Community Stewardship Act, 1993 /  
Projet de loi 38, Loi modifiant la Loi de 1993 sur  
l'administration de la zone résidentielle des îles de  
Toronto.

**The Second Deputy Chair (Ms Marilyn Churley):** Are there any amendments, and if so, which sections?

**Mr Derwyn Shea (High Park-Swansea):** I have two amendments: subsection 11(3) of the bill, subsection 17(12) of the Toronto Islands Residential Community Stewardship Act, and subsection 16(5) of the bill, subsection 22(14) of the Toronto Islands Residential Community Stewardship Act.

**The Second Deputy Chair:** Are there any questions, comments or amendments to sections 1 to 10?

**Mr Chris Stockwell (Etobicoke West):** Madam Chair, if you could bear with me, from 1 to 10, I'm just very interested in noticing that the land title and interests



acquired by the province under that subsection are being transferred. Was any consideration given to the clauses within that at the cost involved of abrogating those agreements? I just wanted to know if you could answer that for me.

**Mr Shea:** I think there would have to be a full appraisal done on the property. To my knowledge, there has not been a full cost evaluation done on that.

**Mr Stockwell:** Ballpark? Any idea? No ballpark?

**Mr Shea:** No.

**Mr Michael A. Brown (Algoma-Manitoulin):** I'm not sure this is the appropriate time to ask the question, but there was some dispute when I was listening to the debate yesterday about who paid for the ferry service. I'm wondering how that happens. If I could have clarification, I'd be happy.

**Mr Shea:** My understanding is that the current relationship is re-ceded and indeed we return to the former financial arrangements that existed prior to the deal. As you know, currently Metro is paying something in excess of \$700,000 a year, but the arrangements will now return to the former payment for TTC. That includes ferry scheduling as well. But Metro will pay.

**The Second Deputy Chair:** Any other comments, questions, amendments? Seeing none, shall sections 1 through 10 stand as part of the bill? Carried.

**Mr Shea:** I move that section 11 of the bill be amended by adding the following subsection:

"(3) Section 17 of the act is amended by adding the following subsection:

"Transition, 1996 amendments

"(12) Despite the termination of the lease to the trust described in paragraph 2 of subsection 22(1) of the Toronto Islands Amendment Act, 1996, every land lease sold under this section before subsection 22(1) of that act comes into force is continued."

**Mr Stockwell:** What does that mean?

**Mr Shea:** In terms of resale, this clarifies that the existing land leases continue under this bill.

**The Second Deputy Chair:** Further questions or comments?

Shall the amendment carry? Carried.

Shall section 11, as amended, carry? Carried.

Are there any questions, comments or amendments on sections 12 through 15?

**Mr Michael Brown:** I'm looking at subsection 13(6), actually that whole section, and I'm wondering what the terms of the purchase are to be—the terms of the lease is I guess the proper terminology—under the financial terms the government's offering on these 12 lots. Is it the same as the previous, that the answer is, they will pay \$1 a day for 99 years on the 12 lots?

**The Second Deputy Chair:** What section is your question on? Is it 12?

**Mr Michael Brown:** It's actually 13. You asked 12 through 15.

**The Second Deputy Chair:** First of all, can we dispense with section 12 before we move on to section 13? Are there any questions or comments on section 12? Carried.

1600

**Mr Michael Brown:** I believe the parliamentary assistant did answer my question.

**Mr Shea:** Yes, it is as you—

**Mr Michael Brown:** Could he then tell me, are the names on the list the same list as was compiled earlier, or is there a new list? How does that happen?

**Mr Shea:** No. They're not the same names on the list.

**Mr Michael Brown:** Could you help me out in terms of how the new list is being determined?

**Mr Shea:** The new list is wiped out, and the trust in fact now establishes the mechanisms for the new list.

**Mr Michael Brown:** So I understand this, the composition of the trust is being changed in this act.

**Mr Shea:** Yes.

**Mr Michael Brown:** The government actually controls the majority of the appointments, so the government will in fact control the 12 names that will come on this list.

**Mr Shea:** I'm not prepared to go that second step, but I understand the point you're raising.

**Mr Stockwell:** That was a curious answer, but I'll move on.

**Mr John O'Toole (Durham East):** Whose side are you on?

**Mr Stockwell:** I'm on the side of right—right in both senses.

My question is to the parliamentary assistant to the Minister of Municipal Affairs. The offers that are being made or tendered to the people on the list, and I understand there's more than 12 people on the list, will be enough money, as I understand it, to offset the losses that have been incurred by the board. On the losses that have been incurred by the board to date, it has been speculative at best as to the rationale of why those losses have been incurred.

Are we underwriting a mismanaged group of volunteers, how they've mismanaged government money and appropriated it, in my opinion, incorrectly, and thereby increasing the population in the housing stock on the island to underwrite that?

**Mr Shea:** You know the province has a \$305,000 loan guarantee that the government wants to pay off. The number of lots that are indicated in the legislation before us says up to 12 and the government is attempting to at least deal with its guarantee and so this will wipe out that guarantee. It may, and I say may, leave some additional moneys to be used to help with some improvements, but that is something the trust will have to determine and report out later.

**Mr Stockwell:** Moving on from that question, the obvious next question is, why would we not, as the government, charge market rates for the properties?

**Mr Shea:** It's an interesting question, but I gather that from the staff's perspective, at the very least, you can't have two systems for resale. In fact, what they're trying to do is keep everything on exactly the same track, the same positioning.

**Mr Stockwell:** Are you suggesting that if we sold these for market rates, then when these leases expire, they wouldn't necessarily fall in to the government again, they would still be held in private ownership? And to further extend that—so we're planning for basically 100 years in the future. We wouldn't want to get out of sync is what you're saying, in 100 years, and that's why we can't charge market rates.



**Mr Michael Brown:** I think I should pick up on the questions of my colleague the member for Etobicoke West and wonder, given the fact that we understand the government is opposed to co-op housing—I think that's what they said—given the fact that the government is appalled by the financial arrangements that were made—that's what the government said—and given the fact that the government believes in the free market—so they say—and given the fact that in Ontario when we have crown land for sale—and I happen to be the MNR critic—we generally look for the highest bidder, why is it different in this case and why does the government want to forgo that revenue?

**Mr Shea:** As you know, we have already established 250 leases, we're talking about up to 12 more, and I think the answer is pretty self-evident in that regard. We've certainly been left with a legacy that has to be dealt with in some way. The member in his comments earlier quite rightly said, as have other members of the House, that this is a matter we are attempting to deal with in a sensitive fashion and to deal with quickly in what we hope will now resolve this matter to the best benefit of everybody concerned. But with 250 leases that have already been dealt with one way, and up to 12, whatever that number may be, it seemed more than reasonable and appropriate that they should be dealt with in exactly the same fashion.

**Mr Michael Brown:** I'm having a little trouble following that logic in that the government was opposed, or so we're told, to the 250 leases already there. I'm just looking for a little consistency from the government. That might be a wrong thing to look for—I see one of the members shaking his head—but it does seem to me that this is an odd approach for the government to be taking. You're going to create a list; somehow some bureaucracy is going to decide who's on the list. You were opposed to having that method of selection followed before. Normally you would look to the free market to maximize the taxpayers' benefit here.

**Mr Shea:** I think my colleague knows that, in addition to my comment about the tracking of up to 12 and keeping it in the same consistency as the 250, the last government made deals that this government believes it cannot renege on, should not renege on. The cost of that would be quite prohibitive, and so it is honouring that arrangement.

**Mr Michael Brown:** Could you tell me then, seeing as the act specifically exempts the municipality of Toronto from any problems with building code violations, fire code violations etc, does the government require buildings that are now placed on those 12 new lots to be leased to conform with the building and fire regulations of the city of Toronto?

**Mr Shea:** What is happening to make sure there is a very clean start is that everything that is currently in place is ended and there's an entire new list that has started. The building code is to be fully enforced. Standards on the up to 12 lots, as well as the existing lots, will all be in conformity to the city of Toronto's standards.

**Mr Rosario Marchese (Fort York):** Just some quick remarks: First, we are happy that the government has

maintained or honoured much of what we did as a previous government. We think that was the right thing to do. It's the right balance this government has taken on this issue. I've disagreed with a number of amendments they have made, and I spoke on that publicly yesterday, but I know nothing will change as a result of those remarks.

I did want to say for the record that what the member for Etobicoke West said, that the money we will get as a result of building 12 lots goes into dealing with the mismanagement of those dollars, is inappropriate and wrong. None of those dollars were mismanaged and it's important for the record to say that's not the case.

1610

**Mr Stockwell:** On a point of order, Madam Chair: Are we into debate at this point or are we in committee of the whole?

**The Second Deputy Chair:** We really should be sticking to section 13, which is the section we're dealing with right now. Thank you. Further questions or comments?

**Mr Michael Brown:** I found the parliamentary assistant's answer curious in regard to the fire and building code regulations. Could he help me and point out where in the act it doesn't exempt those particular properties?

**Mr Stockwell:** The explanatory notes, last paragraph.

**Mr Michael Brown:** Explanatory notes don't mean a thing.

**Mr Shea:** There is no exemption. If the question is, "Is there property that is exempted?" my answer is that there is no exemption. What is happening is that existing charges and so forth under the codes are now removed and everything starts again. The city of Toronto is to undertake a complete review of all the properties. All properties are to be brought up to the code of the city of Toronto, every one, including those in the future, and the up to 12 will be included in that as well. There is no exemption from that.

**Mr Stockwell:** I think I can help my friend. On page 7, subsections 33(2), (3) and (4) will exempt the city subject to the date the thing's enacted. Anything previous to that date will not be coded but anything after that date will be coded.

**The Second Deputy Chair:** Further questions or comments? Seeing none, shall sections 13 to 15 stand as part of the bill? Carried.

**Mr Shea:** I move that section 16 of the bill be amended by adding the following subsection:

"(5) Section 22 of the act is amended by adding the following subsection:

"Transition, 1996 amendments

"(14) Despite the termination of the lease to the trust described in paragraph 2 of subsection 22(1) of the Toronto Islands Amendment Act, 1996, every land lease sold under this section before subsection 22(1) of that act comes into force is continued."

This is the same kind of amendment as the previous one, but this deals with the resales.

**The Second Deputy Chair:** Questions or comments?

**Mr Stockwell:** This deals with the resales. So you're saying this is just housekeeping or technical, that it draws it in line with the existing units?



**Mr Shea:** Yes.

**Mr Stockwell:** Therefore, these existing units' leases will come due in 2092, at the same time as the previous 250 that were sold for a buck a day for 100 years?

**Mr Shea:** I recognize the heavy heart behind the question and I answer with the same.

**Mr Michael Brown:** This is a question of clarification on this section. It's probably here somewhere, but I haven't found it. Is it possible to resell a lease and does it have to be on the same terms? You can't profit from a lease, as I recall. Is that correct?

**Mr Shea:** Yes, that is correct.

**Mr Michael Brown:** So the land is subject to the lease for \$1 a day for 100 years? The dwelling may increase in value and that could change the purchase price, but the land value cannot change in terms of the lease?

**Mr Shea:** Yes.

**Mr Michael Brown:** This is a really interesting thing, as members would know. I understand the government wanting to hold the lease as something not subject to profit. When you get a deal like this, you shouldn't be able to walk away with a cash bonanza either. But when you do that, it is quite conceivable that the dwelling is where you hide the increase in value. We from farm country know that a quota, for example, for milk is a very valuable commodity, although it's really not supposed to be. So you sell the cow and the quota is attached to it.

I'm suggesting to the parliamentary assistant that if what he's hoping to do here is to keep profiteering out of this rather lucrative land-lease arrangement, what arrangements are you making to make sure that it doesn't actually happen on the value of the dwelling?

**Mr Shea:** That is a good question and an obvious one. The appraisal is of course on the bricks and mortar only; it's not on the market value.

**Mr Stockwell:** This is another concern I had with respect to this flawed piece of legislation the socialists passed: It would turn this whole scenario into tantamount to key money. I think that was what my friend from Algoma-Manitoulin was driving at. I put the question to the parliamentary assistant as well. My concern is, and it was a concern at the time, yes, we've locked in the land leases on this deal at \$30,000 or \$40,000 for 100 years, but much like apartments in York and sometimes even in the city of Toronto, the key money is the key. So they'll pay \$30,000, or that portion left in the lease, for the duration of that lease, but they'll give the owner, if there's 50, 60, 70 years left on it, \$100,000 for the dwelling.

I would really be miffed, let me tell you, if an islander who paid us \$30,000 for the property and dwelling for 100 years were to turn around 25 years from today and sell that lease back but take \$100,000 in key money. Is that possible, do you think, in this bill? Why is that not possible, may be the real key question.

**Mr Shea:** That is why we have a list and that is in fact why the control will be deposited with the trust.

**Mr Stockwell:** And the composition of that trust is a majority of government appointments, and that way you're saying that there's no way the list can be abrogated; it's just there. The next one on the list gets the dwelling and they know what they have to pay.

**Mr Michael Brown:** I take what my colleague from Etobicoke West says with advisement. It's interesting that the government—I think I suggested that the government will now control this trust. The difficulty we have is that governments change, appointments change and therefore lists may change. I think we're dealing with this issue right now. We should at least understand that what is the intention of the government may not come to pass. We're just looking for some assurance that both the people who are there now, the people who will come there and the broader public are all protected from profiteering, is what I'm suggesting.

**Mr Shea:** Truly, I understand the question being raised by my colleague. There is such a thing as the legislative prerogative and that is obviously one that flows from the decision of the people who elect the representatives in this House. I would hope that this has been laid to rest once and for all. I understand exactly the question that he is raising; I understand the issue that is being addressed by my colleague from Etobicoke West and I appreciate it, but I think we also recognize the legislative prerogative and I think the government now has presented what it thinks is the fairest and wisest course at this moment in time.

**The Second Deputy Chair:** Further questions or comments? Seeing none, shall the amendment carry? Carried.

Shall section 16 of the bill, as amended, carry? Carried.

Are there any questions, comments or amendments to sections 17 through 24? Shall sections 17 through 24 stand as part of the bill? Carried.

Shall the title carry?

1620

**Mr Stockwell:** I just have a quick question on the title.

**The Second Deputy Chair:** On what?

**Mr Stockwell:** On the title. It's okay to be rather loose. I know you're loose in your interpretations because I saw the member for Fort York working on some section that had nothing to do with so—I just want to go on the record that I am very concerned that these houses are going to stay here, that in 100 years there may be another socialist government in this province. Maybe that's an outside bet, I'm not sure.

The fact is, we've left an opening here and the opening is if the next government wants to come along and develop the island and put the housing back on the island and put the Flying Toad Co-op back on, it can happen. I would have much preferred if we had demolished the units and done away with it.

**The Second Deputy Chair:** Shall the title carry? Carried.

Shall the bill, as amended, carry? Carried.

Shall I report the bill, as amended, to the House? Carried.

**Hon Cameron Jackson (Minister without Portfolio [Workers' Compensation Board]):** I move that the committee rise and report.

**The Second Deputy Chair:** The committee of the whole House begs to report one bill with certain amendments and asks for leave to sit again.

**The Acting Speaker (Ms Marilyn Churley):** Shall the report be received and adopted? Agreed.



MINISTRY OF NATURAL RESOURCES  
STATUTE LAW AMENDMENT ACT, 1996

LOI DE 1996 MODIFIANT DES LOIS  
EN CE QUI CONCERNE  
LE MINISTÈRE DES RICHESSES NATURELLES

Mr Hodgson moved second reading of Bill 36, An Act to amend certain acts administered by the Ministry of Natural Resources / Projet de loi 36, Loi modifiant certaines lois appliquées par le ministère des Richesses naturelles.

**Hon Chris Hodgson (Minister of Natural Resources, Northern Development and Mines):** Members may recall that this is a bill to amend legislation under three existing acts: the Game and Fish Act, the Provincial Parks Act and the Crown Forest Sustainability Act. These amendments will help the Ministry of Natural Resources deliver programs in a more cost-effective and efficient manner and assist us in better managing our natural resources.

For the first time in Ontario's history, amendments to the Game and Fish Act will protect Ontario's black bears by restricting hunting licences and prohibiting the sale of black bear parts, regardless of their origin. Profiting from animal parts in this way is not acceptable. There has been a growing public concern over the trade in black bear parts, gall bladders, paws and claws. Ontario has received increasing national and international media attention relating to this issue.

The amendment to the Game and Fish Act prohibits the sale and possession of black bear parts, regardless of their origin, and also has the support of key ministry stakeholder groups. Black bear populations in Ontario are healthy and capable of sustaining an annual harvest. The amendment to limit black bear hunters to one licence per year helps us establish a strategic conservation program to ensure that the population remains healthy.

Another problem we have addressed affects certain agricultural areas where deer numbers have remained high, despite harsh winter conditions and the impacts of hunting. The MNR will be working with the Ontario Fruit and Vegetable Growers Association and other agricultural groups to identify areas where more intensive control is required to alleviate nuisance deer problems. Adjustments will be made to the hunting seasons and bag limits where appropriate to help control this problem.

Farmers will be required to make every reasonable effort to control the nuisance deer problem through other means, such as fencing or the use of repellents. In those cases where such measures are not possible or fail, the MNR will allow farmers to harvest the deer themselves or to use an agent appointed by the ministry to do so.

The ministry is setting specific criteria to ensure the control of nuisance deer will take place under clearly established conditions and is consistent with ethical harvest practices. Carcasses of deer that have been shot will be considered crown property, and my ministry will be working with appropriate agencies to ensure the animals are disposed of in a manner that benefits society. One such initiative will involve the donating of fresh venison to food banks and other needy charities.

An additional amendment to the Game and Fish Act proposes that the Game and Fish Hearing Board, which hears appeals on the cancellation or issuing of commercial licences, be replaced by a hearing officer. This officer will have the same responsibilities as the board but with less administrative burden. Accountability to the minister will still remain. These amendments to the Game and Fish Act will help the government manage Ontario's wildlife more efficiently as we move to streamline ministry operations.

The amendments proposed for the Provincial Parks Act will result in increased delegation of authority of parks management, while broadening the government's ability to work with private partners to ensure the continued protection of our natural heritage. Provincial parks are a cornerstone of Ontario's commitment to ecological sustainability. I had the opportunity earlier this week to visit one of our finest parks, Sandbanks, in first-hand experience. They also generate benefits for the private sector as major tourist attractions and through consumer spending on outdoor equipment, recreational goods, rental accommodations and much more.

However, provincial parks have been operated traditionally on a deficit basis at a level that is no longer sustainable in the current financial situation. The proposed amendments will allow the government to operate its provincial parks program in a more businesslike manner.

The first amendment will enable Ontario parks to enter into agreements with any local entity. This proposed change will give parks management the authority necessary to enter into agreements with private partners. In addition, most park revenue and spending occur in a 120-day period each year. Given the short operating season, park management must have the flexibility needed to implement required changes in a timely manner.

The second amendment to the Provincial Parks Act therefore will allow the Ministry of Natural Resources to set fees and charges related to the operation of provincial parks. The current regulatory process is lengthy and inhibits park management's ability to set or modify fees and charges according to the local market conditions. The amendment will allow us to react more quickly to meet market trends.

The third provincial parks amendment will dedicate all revenues generated by the parks system to the operation of our parks. This move will go a long way to ensuring the continued viability and enhancement of Ontario's provincial parks. The parks' budgets will be dependent on the revenues generated, not on the capital. This money will be kept in a special account to earn interest to help the provincial parks program become more financially self-sufficient. Dedicated revenues will ensure Ontarians who use our parks system that their contributions will go directly into the maintenance of their parks. The protection component of the program will remain the government's financial responsibility. To make sure that the parks system is accountable to the people of Ontario, I will table an annual report on the provincial parks' operations.

Our fourth amendment will allow the Minister of Natural Resources to authorize any person to take on



duties or powers that may be required to ensure the operation of a provincial park.

Taken as a whole, these amendments to the Provincial Parks Act mean that Ontario parks enjoy greater independence in their operations and financial matters, while continuing to ensure that our beautiful parks are protected and maintained, today and in the future, for the enjoyment and recreation of all those who use them in the province of Ontario.

The last three amendments are to the Crown Forest Sustainability Act. One will ensure that forest management activities continue to be carried out on certain areas of crown land, the second is designed to facilitate enforcement of the act and the third to streamline regulations.

As I've said before, Bill 171 looked after the large forest companies. The changes we are making ensure that small operators are looked after as well. We are providing the needs of small operators in all our negotiations on management units.

With the first amendment, the Minister of Natural Resources will be able to enter into agreements with smaller operators to enable the ministry to perform certain forest management activities on their behalf. This amendment recognizes small operators may not have the capacity to employ full-time professionals to do such things as the preparation of a forest management plan or the gathering of forest inventory information related to their operations.

1630

This amendment will provide smaller operators the opportunity to continue their operations, to participate more actively in forest management and to acquire the skills needed to operate in today's forests.

Another amendment under the Crown Forest Sustainability Act will make it an offence to prevent employees or agents of the Ministry of Natural Resources from carrying out appropriate searches or inspections as required under the act. This amendment would most likely be used in cases of unauthorized harvesting of crown wood or failure to accurately report the amount of forest resources which have been harvested. Without the amendment, those who are unwilling to comply with the act can prevent an officer from entering a mill, yard or any other place where the crown wood is stored or records are kept.

A third amendment to the Crown Forest Sustainability Act would allow the minister to set forest renewal and forestry future charges. Such charges are currently set according to regulations made by the Lieutenant Governor in Council. In the future, according to the Crown Forest Sustainability Act, rates will be set on a unit-by-unit basis. However, under the current system the process would be cumbersome, as each unit would require its own regulation. The amendment we are proposing is consistent with the government's policies regarding unnecessary regulations. It will allow the Minister of Natural Resources to set unit-specific charges in a more efficient and businesslike manner.

The amendments that I have outlined will help ensure that the Ministry of Natural Resources continues to effectively manage wildlife in all areas of the province,

to fulfil its forest management obligations, and to manage and promote provincial parks while protecting Ontario's natural heritage for present and future generations.

**The Acting Speaker (Ms Marilyn Churley):** Questions or comments? Seeing none, further debate.

**Mr Michael A. Brown (Algoma-Manitoulin):** We are presented here with an omnibus bill, another omnibus bill from a government that seems to use these on a rather regular basis dealing with a number of interesting concerns not necessarily related. As I look at this act, we see forestry addressed, the Game and Fish Act, provincial parks, and we wonder sometimes what you're trying to hide.

The minister makes these kind of warm and schmoozing sounds about how good this is for the province. He's just not the same member that I travelled the province with about a year or a year and a half ago as we held hearings on Bill 171, the Crown Forest Sustainability Act, the same minister who, when he was over here on this side of the House, was deathly opposed to the provisions of the Crown Forest Sustainability Act.

**Ms Shelley Martel (Sudbury East):** No. Get out.

**Mr Michael Brown:** Well, it's on the record. As we look at this, we discover that not only in that area is he now terribly supportive—

**Ms Martel:** Come on, give us some quotes.

**Mr Michael Brown:** I'm not going to, at least at this point, give the quotes, because I have some broader issues to deal with before that.

But I want to say to the minister that the increased search powers of the ministry is absolutely the opposite approach to what the minister took when he was out talking to the people of northern Ontario with myself and our colleagues in an all-party committee. I'm just kind of wondering, as we go talk to those folks, who were very concerned about the minister and the ministry encroaching unnecessarily or obtrusively—and guess what; the minister gets to decide that—in their affairs, how they will enjoy this. But that comes later in the speech.

I think really what I want to talk about is the almighty gall of a minister in a ministry that would cut its staff by over 2,000 individuals—a full one out of five out of every layoff, every termination that was announced by this government some weeks ago is happening in the Ministry of Natural Resources.

**Ms Martel:** That is the point.

**Mr Michael Brown:** It is exactly the point that we want to talk about. How in the world does the minister have any credibility with northern people or with people across this province who are interested in the proper management of Ontario's natural resources when frankly we're not going to have anybody out there with the ability to enforce the regulations, enforce the acts and see to the interests of our natural resources?

The natural resources of Ontario have long been held as one of the most important factors in our quality of life. They have provided livings for countless generations of Ontarians. They have provided an opportunity to create wealth, to build. Many of the office towers we see in downtown Toronto come from the wealth of our forests or from our mines. As we contemplate that, we wonder how a ministry that is only a shadow of its former self



will be able to protect the interests of Ontario in this regard. The conclusion I come to, and I think the only fair conclusion you can come to, is that the ministry has absolutely no intention any longer of safeguarding a legacy for the people of Ontario. It has become a privatization of our forests that boggles the mind. I don't think any of us could have comprehended that.

Just for a second I have to say this. My friends to the left, the former government, were in favour of Bill 171, the Crown Forest Sustainability Act. There is no question. At the time they proposed it, they told us not to worry; that the minister, although he had huge discretion, could decide virtually anything he wished under this legislation, could decide under the Crown Forest Sustainability Act, without the review of this Legislature, to do virtually anything he wished; that the minister was a good fellow that we all knew well and he would do no wrong.

I pointed out at the time that even though the former minister may have had the confidence and may be a brilliant politician and may be all of those things, in spite of that, 40 or 50 years from now he was probably not going to be the minister and there might be another government and, another government with another view, and the bill that he had presented and that we took across northern Ontario dealing with forestry permitted the new minister or a new government to do exactly what this government is doing, to privatize northern Ontario. Mr Hodgson is providing us in this bill with but one amendment, or maybe two, that affect the Crown Forest Sustainability Act. The body of that act is essentially the same. The minister is using that to privatize the forest.

Why should that be a concern to us? Since the early 1980s, I believe, we have had management by large corporations of large sections of Ontario land. We have received the crown forest sustainability licence, which is the new version of the management of those private lands, and frankly, I think that's a good idea. We got good timber management, we're getting regeneration because of the trusts that were put in place, but the problem is that the mandate of the companies, which was previously really just to look after the timber interest, to look after what happens to the trees, how they're harvested, how they're regenerated, the care of the forests—

**Mr Chris Stockwell (Etobicoke West):** On a point of order, Mr Speaker: I don't think the member is on topic with the legislation. I would ask you to rule on that.

**The Acting Speaker (Mr Ted Arnott):** I would caution the member to speak to the topic at hand.

**Mr Michael Brown:** I'd like to thank the Speaker for helping me out, but this is an act that deals with the Crown Forest Sustainability Act and therefore, even in the wildest imagination of my friend the member for Etobicoke West, I am on topic.

1640

The problem with the crown forest sustainability licence and it was recognized at the time—I see the former parliamentary assistant here today and he recognized the problem—was: How do you deal with the crown management units? Because on those units, there are no large players—well, I shouldn't say there aren't any, but there are few on those crown management units

that have the ability to do the planning, to do the regeneration, to manage the forests in an effective way.

Traditionally, the ministry has always provided those services. It is a service that has been provided and decided by the ministry. Then someone would go and harvest the timber in that area and then someone else, usually, would go in and do whatever silviculture and regeneration would occur. So the problem with Bill 171, the Crown Forest Sustainability Act, was: How do you deal with these crown management units?

The suggestion, I think at the time, the government put forward was that the loggers would form co-ops. Well, some loggers have, and that's to their benefit. They got to the critical mass where they could do the planning, they could do the silviculture, they could do the regen, they could do what needed to be done. But the vast bulk of those crown management units, Mr Speaker, as you would know, have not fallen into that category.

When we were in, I believe it was Thunder Bay on the previous hearings—and the minister would know this—we had a rather colourful logger in front of the committee, and he was asked: "Do you think that the loggers will form co-ops?" Actually a member of the government at the time asked him, "Well, why don't you just form a co-op?" He said—and this is a direct quote—"If you get 20 independent loggers in a room, you do not get a co-op; you get a fight," and I look around at some of the northern members and they're nodding their heads. We all have knowledge of our constituents to the effect that what he said is the absolute truth. Co-ops are not necessarily always the answer.

It boggles the mind to think that it actually could have worked in all cases. But what the minister is proposing here is that after a huge increase over the last five years in stumpage, in area fees, in all the costs involved in revenues to the government, now the crown will charge those loggers an additional fee, after having paid huge increases, to manage the forests. Well, this absolutely boggles the mind. These enterprises, which employ a lot of my constituents and a lot of the constituents of many of the members I see here today, are not what you would call extraordinarily wealthy organizations. They employ a lot of people; they have a lot of expensive capital equipment; but, boy, the profit margins are very narrow, and they've been stretched to limit by the increased cost of government fees, licences, permits, you name it.

Many of them are on the brink of financial disaster, and that's just the way it is. To go to them now and to say to them, "Well, we're going to give you the opportunity to pay more money for something you already get," is outrageous. You know what I think this particular measure is actually in place for? It isn't in place, as the minister says, "to protect the small logger"; it is to eliminate the small logger. I think the small logging companies in northern Ontario are going to be pushed out of business by the management fees by the Ministry of Natural Resources.

I want to tell the minister that that is what he's contemplating, and I know that, because the Ministry of Natural Resources—and I've had this information from companies in my area—told the larger companies: "If you need more timber supply, forget it. We can't allocate any



more. The way to get that supply if you need it for your mills is to buy out the small guys. Buy them out; get your supply that way."

**Mr Bud Wildman (Algoma):** And they're doing it.

**Mr Michael Brown:** Yes, they're doing it. That's exactly what they're doing. The member for Algoma would know as well as I do that that's what's going on and that's the ministry's direction. But there may be some people out there who aren't falling in line. They're not being purchased by the larger companies. So what we'll do is put even more pressure on these financially marginal enterprises and charge them even more. We will force them to either amalgamate with others or sell out to the majors. I wish the minister would just come forward and say to us clearly that that's his intention, because his intention to come in here and tell us, "The opportunity to pay a fee will keep you in business," is really outrageous. It is totally something we can't understand.

One of the things in the forest industry that we value is our sustainability, and the sustainability can only be determined by government. The only enterprise that is surely to be around tomorrow and in future generations is government. Private enterprises are driven by the bottom line, as they should be, and we fully understand that. The responsibility for protecting Ontario's resources needs to be protected by the ministry or by government. It is the only organization with a time line anywhere near what a tree's time line is.

If that's the case, the plans that are developed by the larger companies and the ministry itself have to be comprehensive enough and well planned enough to provide Ontarians with an assurance that the forest will be sustainable as a commercial entity. Ontarians also want to know that the forest will be diverse and will support many of the values.

I think of the Northern Ontario Tourist Outfitters Association, for example; I think of canoeists; I think of people in my riding who have the hunt camps and various crown leases. I think of all the uses of our forests and I think of the environment and our ecological systems. When you have a look at all of those, I think what this government is intending to do is to turn all of that management directly over to the private companies. I think that is the case.

Some members might be interested to know this: The private companies do not want to do this. The private companies believe they do not have the resources or the expertise, and they do not want to feel that they're the fall guys if something goes wrong.

Over the past 10 years in this province—probably even longer; over the past 20 years—we have seen a remarkable change in forestry in Ontario. We have seen environmental practices, regeneration practices that have put Ontario at the forefront. We still have a ways to go, but the improvement of companies in managing their timber resources has been quite astounding over the last 20-year period.

In that context, they are quite happy, but they are not very sure they have any ability to manage for the fish in our streams and lakes, manage for the moose, the deer, the black bear. They don't believe that should be down-loaded to them. That is not their area of expertise; they

don't pretend to be experts in that field. There's a growing concern that those very forest companies whose business is to harvest timber, to make paper, to make sawlogs, don't have the ability to manage wildlife resources, for example, in an appropriate way. I sympathize with them. I don't really understand how they can take their expertise and expand it in a way that would permit the management of wildlife diversity and all those other issues—old-growth forest, all those kinds of things—that, while the forest companies quite readily agree are important, they don't see how they themselves can make those decisions on.

1650

Now we have a situation. The forest companies really don't want to do this, because they quite clearly don't believe that it's their responsibility or that they have the expertise. They need the Ministry of Natural Resources. But where's the Ministry of Natural Resources? Try to find them. Northern town after northern town is losing its offices. The ministry which we used to call the imperial authority of the north will pretty much be no authority in the north because it doesn't have the people to be out there making the management decisions that need to be made.

That's why I find the sections involving forest sustainability to be particularly difficult in the context of where the ministry is going overall. I cannot imagine that the people of Espanola, Gogama, Chapleau or Dubreuilville will be pleased with the management that they have of their forests both in terms of their jobs and their recreation and the long-term ecosystem by way of what is happening to the Ministry of Natural Resources today.

In that context, I also want to bring in one of the interesting things the Ministry of Environment and Energy is doing these days. The Ministry of Environment is using the EBR registry—that's the Environmental Bill of Rights registry—to pose to Ontario that they are reviewing all 80 regulations involving the environment in Ontario. I know you have a special interest in that, Madam Speaker.

But do you know what? As important—not more important, but as important—as those regulations are the regulations of the Ministry of Natural Resources; at least as important. We are not seeing those regulations on the EBR registry. At least I haven't seen them; I don't believe any member has seen them. No one knows what the plan is for the Ministry of Natural Resources in terms of changing its regulations.

I have in my hand the changes in 1996 requirements for fire permits, for example; maybe not a big deal, but maybe a big deal. In those changes in regulations, we're seeing quite a difference in the way they were approached. There will be permits required in far fewer situations. Maybe that's fine, but maybe it isn't. I believe the people of Ontario were not consulted about this whatsoever.

After having gone through one of the worst fire seasons we've seen last year, I think the people in my area would be somewhat concerned about fire permits and fire regulations. I think my constituents would want to know that the Ministry of Natural Resources is still going to monitor this situation and is going to do what it



can to diminish the number of fires we have in northern Ontario. Last year, we even had a ministry fire get out of control; that's how bad it was.

For the ministry to relax these permit situations without going out and asking, "Does that make sense? Is this a sensible reduction? Is this a sensible relaxation of fire permits?" is quite remarkable, because at the same time we are losing attack bases, forest firefighting bases. I have a list here somewhere; I believe around 12 or 15 bases will be closed.

**Ms Martel:** It's 17 out of 19.

**Mr Michael Brown:** Seventeen. Sorry, I didn't count fast enough. Seventeen out of 19 forest firefighting bases are being closed. So here we are. We're saying that fires are going to be permitted on a much more relaxed basis in our forests. We're saying our ability to attack those forest fires when they do break out—and as everybody knows, the key to getting one out is to get it early and fast. You can't wait. If you wait, you're in big trouble; you've got to get them early. We're eliminating 17 out of 19 forest fire attack bases. You see that and you say, what kind of commitment is that to the forests of northern Ontario? What kind of sustainability will our resource have when we don't have people to fight the fires in the right positions and when we're loosening the permits for setting fires in the first place? Maybe, just maybe, it won't rain all summer and maybe we're going to have a big problem.

What does the minister suggest in this fashion? Nothing, absolutely nothing. He doesn't put his regulations in the EBR so people can comment on his changes before he makes them. I think that's outlandish, unreasonable and a detriment to good public policy in the province. Instead, he comes in with a bill that permits the ministry to charge private operators more money to operate in the forests of Ontario. That's his contribution. I find that totally unreasonable—just not on.

I'm going to leave forests for a moment and move on to some of the other issues that are also important, because of course my time is severely limited this afternoon. We'll come to the fish and game amendments.

I should point out to the government that we are in favour of its amendments dealing with bear parts. Every Ontarian should applaud the government—listen to this—applaud the government for putting forward this regulation. Trafficking in bear parts is something that none of us wants to happen. There was, under the old act, a little latitude that nobody expected, and that basically came from the point that you couldn't sell them if they were shot in Ontario or came from Ontario, but they could have come from somewhere else; there's some idea that trafficking could occur, but of course no one ever really knows where the bear was actually killed. This clears up a problem, and we're glad the government has cured that problem.

We're also happy that the government has addressed the issue of nuisance deer. Anybody who comes from Manitoulin Island knows this is a major problem and that farmers and land owners should have some ability to deal with nuisance deer if that's necessary. On Manitoulin Island, we have far more deer than we have people. It's a tremendous problem for motorists. It's a tremendous

problem for farmers in their fields. I have one farmer who really believes he feeds about 500 deer most of the year, and he's probably correct. This will help, so we agree with that.

With that little bit of applause, I'll move on.

**Provincial parks:** The most important part of our natural legacy is our provincial parks system, something every Ontarian values in terms of preservation of our natural and environmental history. What this government is doing with provincial parks is absolutely unacceptable to the people of Ontario and I believe to the world community.

**1700**

I was recently at a news conference held by the World Wildlife Fund. People would know them. They have the little logo of the panda. It's a very well respected organization. In 1989 they started a campaign called Endangered Spaces. I'll say that again; it's Endangered Spaces. Some people think it's endangered species, but that's not the case. It's Endangered Spaces. It is a campaign to set aside representative ecologies, ecosystems, across Canada by the year 2000. I just want to read from their press release.

"The World Wildlife Fund Canada handed out its annual Endangered Spaces campaign report card today and failed the government of Ontario"—failed the government of Ontario—"for their efforts to protect natural areas over the past year.

"This is the sixth year that the annual Endangered Spaces progress report has been published. Ontario's F"—they didn't have a lower mark or we probably would've gotten it—"was the only one of two failing grades this year. The other one went to New Brunswick. The highest grade awarded was an A to Nova Scotia, which this year set aside 31 new sites, and to British Columbia, which established 62 new parks.

"The federal government received a C for its efforts to protect terrestrial areas. Alberta"—Ralph Klein's Alberta—"which received an F last year, was awarded a B, the second-highest mark in the country. For the first time, progress on the protection of Canada's distinct marine regions was also assessed.

"Ontario's F grade is a drop from the D-plus it received in last year's report. WWF noted that very little has been accomplished during the past year towards meeting the goal of a network of protected areas representative of each of the province's natural regions by the year 2000. This was especially disappointing because the Endangered Spaces campaign goal was explicitly endorsed by Ontario Premier Mike Harris during the 1995 election and is strongly supported by Ontarians.

"Ontario began this campaign"—I want you to listen to this; the campaign began in 1989—"as a national leader. It is now falling behind at an alarming pace. This year's F grade recognizes that not one new site was protected to Endangered Spaces campaign standards since the release of last year's progress report"—not one.

"In addition, the proposed dissolution of conservation authorities in southern Ontario and changes to the Planning Act will mean increased loss of already rare wetlands, forests and ravines.



"This year's report card reflects a tremendous disparity in the extent to which different governments are honouring their commitment to the Endangered Spaces campaign. Ontario could learn a great deal from Alberta's turnaround, especially given the similarity in political philosophies."

That statement is from a reputable group, one of the most reputable environmental groups I know of, one that's worthy of the support of most Ontarians. Well, it's worthy of support of all Ontarians, but it has the support of the great majority of Ontario people.

I suggest to the government that its closing of parks in this province—and we are getting updated lists on the number of parks. I would like to stand here and say there are 17 parks closed, there are 20 parks closed—well, I wouldn't like to say it, but I would like to know for sure that's what I meant. It is not the case. On a daily basis, we are finding new parks being closed in this province. The Minister of Natural Resources is closing Ontario's parks. That is what he's doing, and I do not believe that the people of Ontario elected a Conservative government to close down their provincial parks.

He seems to believe he should only keep open those that pay. That's what this legislation's about, because this legislation permits the privatization of those that will pay. I'm afraid what we're going to get when you use that kind of criterion is the private sector looking at our parks and deciding that instead of natural resources treasured by all Ontarians, what they really are is some kind of Disney World, because the private sector, as it should, will want to make some money. The private sector knows that to make money, you need more services that you charge people more money for; the private sector knows that what you want to do is maximize the number of people in the parks, and that is the opposite of the philosophy of provincial parks. Provincial parks are there for the enjoyment of Ontarians, but primarily to protect our natural and environmental legacy. That's what they're there for.

Recreation-class parks, and they're great parks, are not like KOAs; they're different. They don't supply the same kinds of amenities. I think many members here would be very concerned if our provincial parks turned into KOAs. If you want a KOA, go to a KOA. They're great parks, wonderful, but they're not what the provincial government wants to maintain. I don't think that's our business.

When you look at the conservation authorities closing parks across this province because they have no choice, and the provincial parks system being reduced and then privatized, I'm very concerned that our legacy is being eaten away bit by bit. When Tuesday comes along and we see the real budget numbers around this place, I think we will be even more appalled at what happens to Ontario's parks, wildlife, environmental protection, environmental regulation and natural resource regulation.

It's very difficult, as you look through this seemingly, as the minister calls it, housekeeping bill—I think you would find that the Minister of Natural Resources is completing a process of turning our natural resources over to people who have the profit motive. That is what drives them.

I don't think that in the long-term interest of Ontarians this is what we want to have happen. Forest companies don't want that to happen; people who work in the forests don't want it to happen. Surely my friends at the Ontario Federation of Anglers and Hunters don't want that to happen. Surely we want to maintain full access to crown lands across this province; surely we want our wildlife to be looked after; surely we want to look after habitat protection; surely we want our wetlands to be protected; surely we want our spawning beds to be protected.

This legislation and the actions of the minister are essentially saying that this is no longer any business of the government of Ontario. I think you folks over there on the Conservative benches would do well to reflect about what your constituents believe in these issues because, as the World Wildlife Fund says, it is clearly, even in Alberta, a far greater priority than it is in Ontario.

I would suggest to you that this bill and the overall direction of the ministry are absolutely unacceptable to the people in this province. If you want to fight an election campaign on these issues, let's go, because there wouldn't be much of a contest.

I've talked about this bill in those contexts but not in terms of economic development in northern Ontario. Where do you think 45% of the people in the Ministry of Natural Resources live? Some of them are here in southern Ontario, but the vast majority are spread through northern Ontario. Roughly 85% of northern Ontario is crown land. These people are in charge of that huge expanse of land. Northern Ontario is 90% of Ontario. This part of the province is just a little blip on the map compared to northern Ontario, and these people in the Ministry of Natural Resources for generations have taken their responsibilities seriously and have been as good stewards as they possibly could have been in the circumstances across all of northern Ontario, and they deserve our support. The communities they live in deserve our support.

1710

What you are doing here in this bill and in your actions is destroying communities, destroying the ability of communities to deal with the crown land that surrounds them, because everyone who lives in northern Ontario knows that if you want to have input you can go and talk to MNR and they're usually not very far away. Well, they just got a lot farther away is what's happening here, and your friends you used to curl with, maybe you hunted with, maybe you went fishing with from MNR are now not going to be there either. It is going to be an attack on the fabric of northern Ontario communities that is unacceptable to all of us.

I can't understand—this minister is also the Minister of Northern Development—how he does not understand by fully taking one out of every five job terminations in the province in his ministry, that this is not going to have a real impact on northern people, on northern communities, on northern jobs, and it is absolutely outrageous.

I want to tell you how bad this is. The day the World Wildlife Fund put out these press releases, the ministry, I guess trying to show what a bunch of wonderful conservationists they really are, announced a partnership for \$4 million with the Nature Conservancy of Canada. That's



very nice. The Nature Conservancy of Canada does a lot of nice things, but many of us are suspicious that the reason for that partnership is to buy from the conservation authorities the land they are going to have to put up for sale, because the minister has taken 70% of their funding away.

Much of the land the conservation authority has was donated to them by good-hearted people in the community who wanted to preserve land. I think maybe the nature conservancy is now going to buy land from a conservation authority that needs to sell the land that was given to it to pay the bills now. It's absolutely recycling in the weirdest sort of way. You're recycling donated dollars. When you're in trouble, get another group to buy some land for you. Mr Hodgson seems to be encouraging this kind of abuse of the volunteer sector.

As we stand here, it just absolutely boggles my mind. I don't know how my good friend from Victoria-Haliburton can believe that what he's doing could be by any stretch of the imagination in the interests of the people of Ontario or the people of the north in particular.

I maybe should start looking at the Hansard at this point, because there were some interesting things said. This is a strange thing, as you look through. There's a history to this place that's got—aha, Mr Hodgson. I want to talk about these new fees; I seem to have gotten his attention. He said back in a legislative debate on 6 December, 1994, on third reading of Bill 171 that he's now adding additional fees to:

"Stumpage fees are already going up...on top of this; this is the new business relationship I'm referring to. Under your own estimates, I'm assuming this...cost-benefit analysis...was given to the cabinet. It wouldn't be on the revenue side to show what impact this legislation will have on the MNR."

In other words, what the minister's saying here is this is just a revenue grab; it's got nothing whatever to do with the natural resource. He was right; it was a revenue grab.

He said, "This bill is basically window dressing for the doctors of spin." That's what he said about it. That's the bill he's now very proud of, he's going to enforce. He said: "It's window dressing for the doctors of spin... It's another example of trying to be all things to all people and defining nothing. I don't know how they've done it, but the environmental people, the people in the industry, the people who are concerned with research and development are closer...in a consensus than this government is." And that was true. For these reasons he did not support the bill. But the fact is, nothing has changed.

Those groups actually have I think a better idea of the direction that you should go. But you are seeing this as a cash grab, as a way to put people out of business, as a way to take jobs from northern Ontario, as a way to put our legacy in the forests at risk, as a way to make your bottom line as a government look better so you won't really have to tell the people you're about to borrow \$20 billion so you can give certain individuals in this province an absolutely outrageous tax break. That's what you're sacrificing.

I know in my constituency that tax break isn't going to help a lot of people. We don't have a lot of people in the

kind of bracket that you have. I represent, unfortunately, some of the lowest-income areas in the province, indeed in Canada. Our people would just love to be in the kind of category to be paying big income tax, but they're not, and therefore when income tax is cut, they will receive very little of that money.

**Mr Bruce Crozier (Essex South):** But they're good people.

**Mr Michael Brown:** They're good, hardworking people who this government is working very hard to take their jobs away from. I implore the minister, stick up for natural resources at the cabinet table. Tell them they're important. Tell Mike Harris, who is supposedly a northerner, that you can't do this. Nobody wants the Ministry of Natural Resources to be out of business, and you essentially have put them out of business, just a shadow of their former self.

I really wonder how my friends at the anglers and hunters are going to view this when they understand two or three years from now—and it's going to take two or three years to bang down through the system to where the rubber really hits the road, when they find out that their wetlands, where they were hoping their wildlife, their waterfowl would breed, are no longer being protected in a meaningful way. I wonder what they're going to think when the minister hasn't acted on my resolution to deal with ATVs—I just thought I'd throw that in, Chris—also a resolution that you supported while you were over on this side of the House.

**Mr Wildman:** For that matter, in terms of forestry, how would Leo Bernier feel about the ministry these days.

**Mr Michael Brown:** That's a whole other question, Mr Wildman.

I think I'm going to wind up my comments now. We will obviously have a great deal more to say in this debate because it affects northern communities in very intense sorts of ways that can only begin to be imagined today. The forests of Ontario employ over 60,000 people either directly or indirectly and provide us with billions of dollars of export revenue. The forests of Ontario maintain good jobs for the people in Espanola, the people at St Marys Paper in Sault Ste Marie, the people in Kapuskasing, the people all across northern Ontario, and surprisingly they provide a great number of jobs here in southern Ontario as they secondarily reprocess many of the fibres here.

I think the minister has to come to the realization that this ministry is too important to be relegated to a third-class position. It is totally outrageous that the minister would bring forward a bill that he calls an omnibus bill, changes several different acts, and tells us it's housekeeping. The policy that informs it is far more than housekeeping. It is to the detriment of the province and it is to the detriment of the people of northern Ontario.

With that, I'll yield the floor to colleagues who wish to participate in the debate.

1720

**The Acting Speaker (Ms Marilyn Churley):** Questions or comments?

**Ms Martel:** I would like to just comment on the remarks that were put forward by the member for



Algoma-Manitoulin, and I want to start where he was finishing, which was the impact in northern communities of the MNR cuts.

Fully 20% of all of the cuts that are occurring across the public service in the next two years are occurring at the Ministry of Natural Resources. Some 45% of those cuts will occur in northern Ontario, yet we have less than 10% of the population in our special part of the province.

In terms of communities, that means, for example, in Temagami, where you have a population of 900, some 50 MNR jobs to be lost from that community. That will completely devastate that community. In the community of Cochrane, with a population of 4,000, you will have 42 people losing their jobs, 30 families to be affected. The town council has estimated that will take in excess of \$2 million out of that community by those job losses. Surely the minister has to start to understand the impact of these cuts in our special part of the province, because in community after community in northern Ontario the result will be devastation in terms of job loss, families having to move, and for those who are left to try and pick up the pieces, a very difficult time indeed to try and do that.

The other point I want to focus on is the fact that this minister seems to think the government no longer has any responsibility when it comes to the protection of the natural resources of this province, resources which belong to all of the people who live in this province. By the cuts alone, the ability of the government to protect fish and game and other wildlife and to protect timber resources is being put at risk. It's the responsibility of government, this government, to ensure those resources are protected for all of the people. This minister has got to start to assume some of that responsibility.

**Mr Frank Klees (York-Mackenzie):** I'd like to take this opportunity to thank the member for Algoma-Manitoulin for his applause and support of this bill as it relates to the Game and Fish Act.

I'd like to as well perhaps just take a minute to speak to a concern he expressed regarding the effect that the amendments to the Crown Forest Sustainability Act would have on the smaller loggers. Contrary to the member's view of the ability of the small business people in northern Ontario to cooperate, I'd like to take this opportunity to let him know that this is a welcome change and is one that we entered into as a result of consultation with these people. Very soon we will be announcing, as a matter of fact, a very successful initiative as a result of this opportunity for cooperation among some of the smaller licensees. So it's with that in mind that I want to reconfirm for the member that the changes we're proposing through this act will augur very well for northern Ontario and for the economy of northern Ontario.

With regard to the comments the member made about endangered spaces, I'd like to remind the member that as a result of government over the last 10 years by his party and the previous NDP, all of Ontario was an endangered space. We're going to do what we can to turn that around for the province of Ontario and make sure we put policies in place that will once again put Ontario back on track.

**Mr Crozier:** I would like to rise for a minute or so in support of my colleague the member for Algoma-

Manitoulin and his comments, and just to point out that I represent the most southerly riding in the province of Ontario. An awful lot has been said today about concern of what this bill may do to northern Ontario, so I want to say to my colleagues and friends on both sides of the House that we support the preservation of natural resources in northern Ontario, and fortunately we have a couple of small provincial parks down our way, but I think of Algonquin Provincial Park. I would never want to know it as Algonquin Private Park.

I think of Wheatley Provincial Park down my way. What a tragedy it would be if we had to call it Wheatley Private Park. This government and governments of all stripes have an obligation in certain areas, and certainly when it comes to protecting our natural resources, when it comes to providing safe, clean recreational areas, it's the responsibility of government. I'm afraid the direction we see this government going in is that of abdicating that responsibility, and it saddens me.

**Mr Wildman:** I'd just like to congratulate my friend the member for Algoma-Manitoulin for his presentation and indicate that I have similar sentiments with regard to the changes to the Game and Fish Act, but I want to express sincere and heartfelt concern about two matters.

The first is the ability—or frankly, the inability—of the Ministry of Natural Resources to meet its very important mandate with regard to managing the resources as a result of the cuts that have been made by this government. I note that the ministry says, "MNR remains committed to its vision of sustainable development and its mission of ensuring the ecological sustainability of Ontario's natural resources." What a joke. The ministry says, "MNR will focus on developing resource management policies, standards and guidelines and will enforce them." What a joke. If you lay off most of the staff, you are not going to have the kind of staff required to ensure that guidelines are carried out and to enforce them. You're not going to be able to monitor what happens and what's being done in the private sector.

The other issue I want to raise is similar to what my friend the member for Sudbury East said: the effect of these cuts in northern Ontario and the inability of the ministry to carry out its mandate to properly manage our resources. Small communities in northern Ontario are absorbing 45% of the cuts, and the minister has the gall to get up and say that because 55% of the cuts are in southern Ontario, he's favouring the north. The north has 10% of the population of this province. We're absorbing almost half the MNR cuts. The part of the province that has 80% to 90% of the population is absorbing 55% of the cuts. What equity is that? What are you doing to favour northern Ontario? You're not doing a damned thing for northern Ontario.

**Mr Michael Brown:** I appreciate the interventions of the members for Sudbury East, Algoma, York-Mackenzie and of my good friend the member for Essex South.

I want to address some comments of the member for York-Mackenzie, which I thought were strikingly interesting. There are cooperative arrangements being made. We knew that; there were some being made before and there continue to be. My point is that the large majority of crown management units will not fall into this particular



situation. You will have successes; certainly northern people do cooperate, but often it is not something that is very likely to happen.

Most offensive, from what I heard from the member for York-Mackenzie, is that this government is proud of getting an F from the World Wildlife Fund. This was a campaign promise by the Premier. Mike Harris said explicitly that he endorsed the Endangered Spaces campaign. Mr Klees, the member for York-Mackenzie, says the actual policy of the Ministry of Natural Resources and of the treasury benches is: "Rape, pillage, plunder. Forget about regulations. Forget about enforcement. Forget about maintaining a quality of environment and a quality of natural resources in this province, because we can't afford it."

You know what? We cannot afford not to. We need those resources. They are a legacy. We have seen an environmental deficit in the forests of Ontario. We need to redress that balance. We can have a strong industry. The industry recognizes that they can be in the forefront, and frankly are in the forefront, of environmental protection, but this government is going to destroy even them.

1730

**The Acting Speaker:** Further debate?

**Ms Martel:** I want to begin my remarks here today, and I will be carrying on next week, to say that while I intend to participate in this debate, I really am truly amazed that the priority bill for the Minister of Natural Resources, the one that he is bringing into the House today, is one which really is a housekeeping matter but needs to be very much contrasted against the massive layoffs that are occurring in your ministry at this point in time.

You have brought forward a bill today which talks about protection of natural resources and through that amends a number of acts which allegedly will allow that to happen. But the fact of the matter is, when you have 2,100 people coming out of your ministry over the next two years, the remaining staff will be completely incapable of protecting the resources of this province, no matter how badly they want to.

I must say that this being your priority today, in light of the massive layoffs that are occurring, reminds me of the position the Minister of Education and Training found himself in in this House about three weeks ago. In light of layoff notices going to thousands and thousands of teachers across many boards right across this province, we have the priority of the Minister of Education and Training being a bill to establish the College of Teachers. At the same time that we know there is going to be a tremendous negative impact in classrooms right across this province, from the elementary panel right through to post-secondary education, we've got the minister standing in his place and putting forward as the government's education priority a bill to establish the College of Teachers.

We have here today that same kind of bizarre decision by this minister that he will put forward this bill, that he will come proudly to this House today and put it forward, and at the same time we have happening out in the province thousands and thousands of layoffs that will

occur that will put all of the natural resources which government is supposed to protect at risk.

I have to say to the minister, I'm sure he is proud to be here today to be moving this bill and I'm sure that a number of very good people in the ministry have spent some time trying to put it together. But surely you ought to be here today hanging your head in shame for being the minister who is now gutting the Ministry of Natural Resources, presiding over that very gutting of the Ministry of Natural Resources, and the minister who will make it impossible for the staff who remain two years from now to do anything whatsoever to protect the natural resources of the province which belong to all the people.

Really, that is what I intend to talk about today, because I think this issue is so important and it contrasts so greatly against a bill which you say is going to protect resources.

What I find interesting is that it's this minister who is presiding over a real loss in his ministry. Fully 20% of all of the cuts that are occurring across the public sector are occurring in your ministry. It's not as if the minister, when he wants to, cannot lobby. All of the members of this House were here last week when it became very clear that the Minister of Education and Training cut a special deal for the Minister of Natural Resources to help him in his board and to help the board in his riding that was suffering from very severe cutbacks. Many other boards across this province are also facing very severe cutbacks. The minister went to lobby his friend the Minister of Education and Training and got him to cut a special deal, and now some other boards are going to benefit from this special deal because this matter came to light.

I have to say that I find it passing strange that on the one hand, when it comes to his ministry and protection of his ministry staff and his ministry budget, the minister is quite prepared to toe the government line around deficits and deficit reduction and the need to get control of the debt, but when it comes to dealing with those cuts head-on in his riding, he runs for cover and then he runs for help, and he runs for help to the Minister of Education and Training and gets him to put together a special little sweetheart package that will not have the same level of cuts applied to his board as was going to be applied to every other board across the province.

I have to say, if you are so interested in protecting your riding—and you should be; all of us want to do that—how can you stand in your place today and at the same time use deficit and debt reduction as an excuse to gut your ministry. I don't understand how you can do that.

There's one other point I want to raise in this regard. I think it's interesting that there are 17 out of 19 fire bases being closed by this ministry—

**Hon Mr Hodgson:** Forty-five.

**Ms Martel:** Excuse me. We got the list from your ministry that outlines all of the MNR facilities. We got a list after April 12 from the Ministry of Natural Resources listing all of the MNR facilities, and on that particular list, community by community, was a listing of what the facility was and whether it was going to remain open or whether it was going to be closed, and we assume from



that list that that is a complete list, because that's what we got from your ministry to talk about the cuts. On that list, it showed 17 of 19 fire bases being closed. There are two that are going to remain open. Madam Speaker, can you guess which two are going to remain open? The first is in the Minister of Finance's riding, the riding of Parry Sound, and his fire base is going to have the privilege of being kept open and those fine staff are going to have the privilege of continuing to work for the Ontario government. Guess where the other fire base is, Madam Speaker. Let me tell you. It is in the minister's own riding. In the riding of Victoria-Haliburton, the fire base is being kept open. Only two across the province: one in the Minister of Finance's riding and the other in the minister's riding.

**Hon Mr Hodgson:** It has always been. It's central; look at the map.

**Ms Martel:** I can only say to the minister, if that isn't correct, then you had better give us all of the information, because we asked your ministry for all of the cuts of all of the MNR facilities, and the list that was provided to us showed 17 of those bases closing, two of them remaining open, and those two in the minister's own riding and the Minister of Finance's riding.

It is clear to me that when the minister really wants to lobby, he is quite capable of doing so. The unfortunate reality is that he's not prepared to lobby on behalf of a ministry, in fact two ministries, because I'll include northern development and mines in this, which are terribly important and terribly significant to the people in the special part of the province where I live, and it's a real shame that he's not prepared to do that except when it comes to his own riding, except when he's trying to protect interests in his own riding, except when he's trying to make sure that he doesn't have to take a lot of flak for the government cuts in Victoria-Haliburton.

I want to deal first of all with the change around the Crown Forest Sustainability Act. There are five amendments that are being put forward. The first one, which is the most significant, was one that the member for York-Mackenzie referenced, and I want to read into the record exactly what the change is, so I'm quoting from the amendments that have been put forward by the government:

"Subsection 27(3) of the Crown Forest Sustainability Act, 1994 is repealed and the following substituted:

"Agreements

"(3) The minister may enter into an agreement with the holder of a licence under this section in respect of,

"(a) renewal and maintenance activities necessary to provide for the sustainability of the crown forest in the area covered by the licence; or"

And this is the new part that's being added:

"(b) obligations of the licensee that will be performed by the minister in return for payment of a fee."

I called the Ministry of Natural Resources because I wanted to be clear on what this change was and to very clearly understand whether or not this was a new fee that would be applied to users of the forest. I was told by Ministry of Natural Resources staff that the intent of this particular change is to now charge new fees to small operators who operate on the crown management units.

What they said to me was that now, on those units that are operated under sustainable licences, it's the big companies which pay for the cost of forest management and forest planning, but on the crown units it's ministry staff who do that, so that is a free service the small operators enjoy. Now, however, those small operators are going to be paying fees for forest management, for all the work currently undertaken by Ministry of Natural Resources staff.

1740

I have to say to the member for York-Mackenzie who, when he stood up to respond to the comments made by the member for Algoma-Manitoulin said, and I'm quoting, "This will be helpful to northern Ontario." I have to say to you, sir, tell it to the small operators, because they won't believe you. Tell it to the small, independent loggers that this is somehow going to be helpful to them. They won't believe you.

The fact of the matter is, your minister is bringing forward an amendment that has the effect of charging a new fee to small, independent operators, to small, independent loggers right across the province—not only in northern Ontario. This was a fee they did not pay before. It was a service that was provided by ministry staff. You have to explain to me how the good folks in northern Ontario and eastern Ontario are going to be so pleased that now they have to pay a new fee for services undertaken by crown staff.

The fact is, it's a tax. It's a new user fee. It's one of those things that your Premier, in the Common Sense Revolution, promised he would not bring forward. He said very clearly in the Common Sense Revolution, "There will be no new user fees." We've seen user fees on drugs. We saw a whole host—\$13 million worth—of new fees announced in some of the business plans that were announced in this House on April 12. One of those new fees coming out of the business plans is the one that's going to affect the small, independent loggers, the independent operators who operate on crown management units.

I have to say that the minister, who was the critic when Bill 171 was being debated through June and right through until December 1994, the now minister was one of those members who spoke very ferociously against any new fees for independent operators. I don't have the benefit the member for Algoma-Manitoulin does of having been there through the course, because I wasn't involved in the bill and I wasn't on the committee, but I know my colleague from Cochrane North, who was the parliamentary assistant, made it very clear to me that the current minister spoke out on behalf of those independent operators. He made it clear that they should not suffer any new fees, they should not suffer any increase in payments, any increase in taxes because, by God, they were living on the edge as it already was. They were barely able to make a living as it already was.

Now we have this minister coming into this House and moving an amendment that will have the very effect of what he used to fight against. That effect will be an increase in costs for those people who are trying to operate on crown management units, who are trying to make a living, who are trying to keep their families fed. Now this



Tory government, a government which promised no new user fees, is going to implement a new user fee on services they previously received free from the crown.

It's the same kind of situation we saw here today in the bill that was brought forward by the Minister of Agriculture, Food and Rural Affairs. The Minister of Agriculture, Food and Rural Affairs today gave the good news to the farmers that many of the services that used to be provided by ministry staff they will now have to pay for: more hidden taxes, more payments made by farmers, more cost for people trying to make a living in the province of Ontario, and again, absolutely contrary to the promise this Premier made during the Common Sense Revolution and out on the campaign trail. I wait and look forward to him standing in his place on Monday to say that he is going to resign, given that he's broken yet some more promises made by him on the campaign trail.

That's the most significant change in the Crown Forest Sustainability Act. The others are minor changes; they are important ones. I would have thought this minister would have used his time today in the debate on second reading to make it very clear, to express very clearly, as a matter of fact, some very strong support for the intent and for the principles that are enshrined in the Crown Forest Sustainability Act. I would have hoped that he would have done that because, in some way, shape or form, it would have then reinforced many of the things he said about this act and about its importance when he was on this side of the Legislature and when he was operating as critic for Bill 171.

I think that to get a good sense of what the minister said, and why I would have thought it would have been important for him today to come in and use whatever means he could at his disposal to reinforce the principles of that bill, I'm going to go back and just read you a little bit of Hansard. This comes from the debate on second reading, June 20, 1994. I'm quoting the member for Victoria-Haliburton, his comments as he began the debate on second reading. I'm going to read a fair bit of it so you get the full gist of how important he thought sustainability was at that time. He said:

"The bill seeks to promote sustainability in two ways: sustainability of the forests, the whole forest ecosystem and the future needs in the timber component; and sustainability of the communities or the people who earn their living from the forest economy.... But I would like to comment on the sustainability aspect.

"We have a problem with global buyers, primarily from Europe, the United Kingdom and Germany, that demand that forest product producers conduct their operations in a sustainable manner. It's incumbent upon governments within Canada to prove to these buyers that we are in fact sustainable and that the forest product coming off and going to these markets is sustainable....

"I applaud this government for its role in getting the message out that our forests are different and that we're trying to make our forests sustainable. In this respect, I think Bill 171 deserves some praise.

"The aspect of the bill that there will be an audit and report to the Legislature so it's open, so everybody can have a look and say, 'Yes, Ontario's wood products are from sustainable forests,' is also applaudable. But the

problem is that if we don't follow through on this, it will soon get so that the lip-service, telling the world that our forest products coming from Ontario are sustainable—if the reality doesn't match the rhetoric, we will destroy the credibility of products coming from this province for years to come. So I think it's important that when we implement this bill, we implement it right."

He said, at the bottom: "We have to be very careful, though, that what we are doing in this act matches what we're saying it's going to do. If we're saying that all products produced in Ontario in wood are from sustainable forests, then we should ensure that's the case. If it isn't, we ruin the market potential for future generations, for people who are dependent upon the jobs related to the forest industry."

I wholeheartedly agree with the minister: That was exactly the intent of the bill, and it's very important that in Ontario we can ensure that the wood products that are going out of this province come from forests that are sustainable if we are going to be able to sell our products abroad and if we are going to be able to protect the thousands of jobs of people who work in the forestry industry in this province.

I'm telling you that with the staff cuts at MNR, the 2,100 people you're going to lay off over the next two years, many of them living in northern Ontario, and with the new direction that this government is taking to give away public resources on the crown management units to the big forestry and big pulp and paper companies, I am saying to the minister today we are not in a position to ensure sustainability in our forests. By the magnitude of the staff cuts alone, you will not be able to guarantee to anyone that regeneration, reforestation and harvesting practices are economically and environmentally sustainable. You won't be able to prove that to anyone, because you won't have the staff to monitor that or to know what's happening in the forest. That's the first problem.

The second problem is that as this government moves to hand over all the crown management units, some 8.2 million hectares of crown land, to the big pulp and paper and forestry companies of this province, we will not be able to convince anyone in the environmental movement that our practices are sustainable, that our harvesting, our reforestation, our regeneration practices are sustainable, in fact that we have products coming from forests that are going to be around for the benefit of the people of Ontario for many years to come.

#### 1750

That's the problem the minister has, and that's the contradiction I see between the principles of the bill that he stated he was in support of in June 1994, and the reality that faces this minister and the ministry today. The reality is that between the cuts and between the changes, the new direction to give away crown land that he should not be giving away, because it's not his to give, we are not going to be in a position to convince anyone that our forests are sustainable and that we are managing them and protecting them in the way that will allow us to continue to have important access to international markets for wood products.

I want to talk about three things as I make that point. The first has to do with the giveaway of crown land,



because I think it is appalling that in Ontario today we have a minister whose staff is involved in giving away 8.2 million hectares of public land to the major pulp and paper and forestry companies without any public consultation whatsoever.

We began to raise this issue in this House last December, and on December 13 my colleague the member for Cochrane North asked the minister why it was that his ministry was involved in secret negotiations with these companies to give away these crown lands. The minister, in his first response in the House that day said, "I'm not aware of any formal negotiation process. If there's going to be a change in the relationship in the forest industry with regard to crown land, we'll certainly make an announcement in the House at the appropriate time if that should occur, but I'm not aware of any ongoing negotiations at this time."

In the House the next day, because the minister obviously didn't know his staff were involved in negotiations, I raised with him where those negotiations were occurring, which companies were involved and which crown units were at stake. At that point, I said Stone Consolidated and Avenor are negotiating for the crown management unit at Red Lake. Stone Consolidated is also negotiating for the crown management unit at Fort Frances, and we also know that you're negotiating with E.B. Eddy, with Yaeger and with St Marys Paper on the crown management units in Sault Ste Marie and in Wawa.

I asked him again why it was that the negotiations were going on in secret to give away resources which belonged to all of the people of the province. The minister tried to tell me that under Bill 171, which is the Crown Forest Sustainability Act—the bill we're dealing with today—there was some kind of provision to allow that kind of giveaway of public resources. I said to him then, and I tell this House today, that this minister and his ministry have no authority in law whatsoever to be doing what they are doing.

It's the responsibility of the minister to protect the crown units. If there's going to be a change in the crown units, in the timber that all the people of the province should have access to, then that process has to be an open one. It has to be a public one. It has to be involving all of those people who have an interest in forestry resources, not just the big companies who stand to gain the most but all of those people who have an interest in how we use timber from the crown units: northern communities, first nations communities, small independent operators, the FON, environmental groups.

Not one of those groups is at the table in the current round of negotiations going on. In fact, even though the minister denied that there was anything happening, that there were any negotiations going on, his press secretary, Rob Savage, did finally admit that discussions with some companies are taking place. Although he couldn't provide any specifics about what and how much is on the table, he assured us that the process isn't a giveaway. Well, that's exactly what it is, and it is being held behind closed doors, in secret, with companies that right now already have access to the most significant resources in

the province. They have huge access already to timber resources.

If you're going to make any change on the crown units, you can't do that just in conjunction with the people that already have access to the most timber in the province. It is the right of everyone to participate in that process to determine how public resources are best to be used, not just negotiations between ministry staff and some of the big companies that already have the most timber in the province, and that is what's happening.

What I'm very concerned about is that as you give away those timber resources on the crown management units, give those away to the pulp and paper and big forestry companies, what you also do is very negatively impact upon the independent loggers who have had traditional access to those crown units.

The minister, at one point, when he was in opposition, did care about the small independent operators and their ability to operate, particularly on the crown units. He said: "I can assure you that we are going to be concerned about small loggers that are a major force in rural communities and northern communities. The interests of these small logging companies are important to the government and open discussions will be held with them."

Well, the fact is that there are no discussions going on with the small independent operators with respect to the future of the crown management units—none at all. They're not involved in the process, they're not participating, because the process so far has involved only the ministry and the big forestry companies. A number of people whose very livelihood is at stake—they are very concerned about who they will have to get a licence from—are not able to participate. I want to quote the minister again, because he used to be very concerned about these issues.

On June 20, on the same debate on Bill 171, the Crown Forest Sustainability Act, the minister said, "It is essential to the stability of hundreds of small sawmills and jobbers that they be allowed continued access to their licences." I agree. That's why I'm concerned about the very precarious situation this minister is putting those folks in. If they have to go begging, cap in hand, to the big pulp and paper companies to continue to get licences, they're going to be in big trouble.

I'm not the only one who feels that way. Let me give this quote to the House, a quote from Robin MacIntyre, who's on one of the MNR citizens' advisory committees in Sault Ste Marie. MacIntyre is concerned that the transfer will dislocate smaller operators in favour of the big companies.

"We have a lot of small operators in the Sault area who depend on access for cedar shake operations, firewood cutting etc, but the ministry turned around and gave a big chunk of the Algoma highlands to Lajambe Forest Products, now E.B. Eddy. Now if someone wants to cut cedar shakes, they have to go to Lajambe for a licence, and it's not in the interest of the big companies to encourage small operators. The result is that small operators are now moving on to private lands where there are no rules, and that's because they're finding their



access to the crown units becoming more and more severely restricted."

I also have a quote from an industry representative in northwestern Ontario who concurred. He said: "There's no question that the small operator is doomed. This process will gradually, and sometimes not so gradually, knock out the smaller guys and their cutting licences will revert to the big guys."

The crown units are for the benefit of a whole bunch of users. The small independent operators have traditionally had access to those crown units, and they have dealt directly with the ministry, by and large, around conditions on their licences and that very access to the crown units.

If you put that into the hands of the big companies, I fear that the smaller operators will lose all the way around. They will lose every way, and sooner or later they are going to have to get out of the business because

they're not going to be able to compete. They're not going to be able to compete in terms of trying to fight with the big companies to get access to some timber, and they're not going to be able to continue to compete with the prices that the big companies are going to set for timber coming off their units.

While the minister used to be concerned about this and used to be concerned about independent loggers, it's very clear from both the new fee he's instituting as part of the amendments to this bill, and from his change in direction, that he couldn't care less about them now, or their ability to continue to operate.

It is on that note that I will adjourn this debate, and I will continue on Monday.

**The Speaker (Hon Allan K. McLean):** It being almost 6 of the clock, this House stands adjourned until 1:30 of the clock next Monday.

*The House adjourned at 1759.*



**LEGISLATIVE ASSEMBLY OF ONTARIO  
ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO**

Lieutenant Governor / Lieutenant-gouverneur: Lt Col The Hon / L'hon Henry N.R. Jackman CM, KStJ, BA, LLB, LLD  
 Speaker / Président: Hon / L'hon Allan K. McLean  
 Clerk / Greffier: Claude L. DesRosiers  
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| Constituency<br>Circonscription | Member/Party<br>Député(e) / Parti  | Constituency<br>Circonscription                    | Member/Party<br>Député(e) / Parti  |
|---------------------------------|--|--|--|
| Algoma                          | Wildman, Bud (ND) Interim leader of the New Democratic Party / Chef par intérim du Nouveau Parti démocratique  | Hamilton West / -Ouest                             | Ross, Lillian (PC)   |
| Algoma-Manitoulin               | Brown, Michael A. (L)  | Hastings-Peterborough                              | Danford, Harry (PC)  |
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| Brampton South / -Sud           | Clement, Tony (PC)   | Kenora   | Miclash, Frank (L)   |
| Brant-Haldimand                 | Preston, Peter L. (PC)   | Kingston and The Islands /<br>Kingston et Les Îles | Gerretsen, John (L)  |
| Brantford                       | Johnson, Ron (PC)  | Kitchener  | Wettlaufer, Wayne (PC)   |
| Bruce                           | Fisher, Barb (PC)  | Kitchener-Wilmot                                   | Leadston, Gary L. (PC)   |
| Burlington South / -Sud         | <b>Jackson, Hon / L'hon Cameron</b> (PC) Minister without Portfolio (Workers' Compensation Board) / ministre sans portefeuille, ministre responsable de la Commission des accidents du travail | Lake Nipigon / Lac-Nipigon                         | Pouliot, Gilles (ND)   |
| Cambridge                       | Martiniuk, Gerry (PC)  | Lambton  | Beaubien, Marcel (PC)  |
| Carleton                        | <b>Sterling, Hon / L'hon Norman W.</b> (PC) Minister of Consumer and Commercial Relations / ministre de la Consommation et du Commerce   | Lanark-Renfrew                                     | Jordan, Leo (PC)   |
| Carleton East / -Est            | Morin, Gilles E. (L)   | Lawrence   | Cordiano, Joseph (L)   |
| Chatham-Kent                    | Carroll, Jack (PC)   | Leeds-Grenville                                    | <b>Runciman, Hon / L'hon Robert W.</b> (PC) Solicitor General and Minister of Correctional Services / solliciteur général et ministre des Services correctionnels  |
| Cochrane North / -Nord          | Wood, Len (ND)   | Lincoln  | Sheehan, Frank (PC)  |
| Cochrane South / -Sud           | Bisson, Gilles (ND)  | London Centre / -Centre                            | Boyd, Marion (ND)  |
| Comwall                         | Cleary, John C. (L)  | London North / -Nord                               | <b>Cunningham, Hon / L'hon Dianne</b> (PC) Minister of Intergovernmental Affairs, minister responsible for women's issues / ministre des Affaires intergouvernementales, ministre déléguée à la Condition féminine |
| Don Mills                       | <b>Johnson, Hon / L'hon David</b> (PC) Chair of the Management Board of Cabinet / président du Conseil de gestion  | London South / -Sud                                | Wood, Bob (PC)   |
| Dovercourt                      | Silipo, Tony (ND)  | Markham  | <b>Tsubouchi, Hon / L'hon David H.</b> (PC) Minister of Community and Social Services / ministre des Services sociaux et communautaires  |
| Downsview                       | Castrilli, Annamarie (L)   | Middlesex  | Smith, Bruce (PC)  |
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| Durham West / -Ouest            | Ecker, Janet (PC)  | Mississauga West / -Ouest                          | Sampson, Rob (PC)  |
| Durham-York                     | Munro, Julia (PC)  | Muskoka-Georgian Bay /<br>Muskoka-Baie-Georgienne  | Grimmett, Bill (PC)  |
| Eglinton                        | <b>Saunderson, Hon / L'hon William</b> (PC) Minister of Economic Development, Trade and Tourism / ministre du Développement économique, du Commerce et du Tourisme                             | Nepean   | Baird, John R. (PC)  |
| Elgin                           | North, Peter (Ind)   | Niagara Falls                                      | Maves, Bart (PC)   |
| Essex-Kent                      | Hoy, Pat (L)   | Niagara South / -Sud                               | Hudak, Tim (PC)  |
| Essex South / -Sud              | Crozier, Bruce (L)   | Nickel Belt  | Laughren, Floyd (ND)   |
| Etobicoke-Humber                | Ford, Douglas B. (PC)  | Nipissing  | <b>Harris, Hon / L'hon Michael D.</b> (PC) Premier and President of the Executive Council / premier ministre et président du Conseil exécutif  |
| Etobicoke-Lakeshore             | Kells, Morley (PC)   | Norfolk  | Barrett, Toby (PC)   |
| Etobicoke-Rexdale               | Hastings, John (PC)  | Northumberland                                     | Galt, Doug (PC)  |
| Etobicoke West / -Ouest         | Stockwell, Chris (PC)  | Oakville South / -Sud                              | Carr, Gary (PC)  |
| Fort William                    | McLeod, Lyn (L) Leader of the Opposition / chef de l'opposition  | Oakwood  | Colle, Mike (L)  |
| Fort York                       | Marchese, Rosario (ND)   | Oriele   | Caplan, Elinor (L)   |
| Frontenac-Addington             | Vankoughnet, Bill (PC)   | Oshawa   | Ouellette, Jerry J. (PC)   |
| Grey-Owen Sound                 | Murdoch, Bill (PC)   | Ottawa Centre / -Centre                            | Patten, Richard (L)  |
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| Halton North / -Nord            | Chudleigh, Ted (PC)  |  |  |
| Hamilton Centre / -Centre       | Christopherson, David (ND)   |  |  |
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|--|--|---------------------------------|--|
| Parry Sound  | <b>Eves, Hon / L'hon Ernie L.</b> (PC) Deputy Premier, Minister of Finance, government House leader / vice-premier ministre, ministre des Finances, leader parlementaire du gouvernement   | Scarborough North / -Nord       | Curling, Alvin (L)   |
| Perth  | Johnson, Bert (PC)   | Scarborough West / -Ouest       | Brown, Jim (PC)  |
| Peterborough   | Stewart, R. Gary (PC)  | Simcoe Centre / -Centre         | Tascona, Joseph N. (PC)  |
| Port Arthur  | Gravelle, Michael (L)  | Simcoe East / -Est              | <b>McLean, Hon / L'hon Allan K.</b> (PC) Speaker / Président   |
| Prescott and Russell /<br>Prescott et Russell                                      | Lalonde, Jean-Marc (L)   | Simcoe West / -Ouest            | <b>Wilson, Hon / L'hon Jim</b> (PC) Minister of Health / ministre de la Santé  |
| Prince Edward-Lennox-<br>South Hastings /<br>Prince Edward-Lennox-<br>Hastings-Sud | Fox, Gary (PC)   | Sudbury                         | Bartolucci, Rick (L)   |
| Quinte   | Rollins, E.J. Douglas (PC)   | Sudbury East / -Est             | Martel, Shelley (ND)   |
| Rainy River  | Hampton, Howard (ND)   | Timiskaming                     | Ramsay, David (L)  |
| Renfrew North / -Nord  | Conway, Sean G. (L)  | Victoria-Haliburton             | <b>Hodgson, Hon / L'hon Chris</b> (PC) Minister of Natural Resources, Minister of Northern Development and Mines / ministre des Richesses naturelles, ministre du Développement du Nord et des Mines |
| Riverdale  | Churley, Marilyn (ND)  | Waterloo North / -Nord          | <b>Witmer, Hon / L'hon Elizabeth</b> (PC) Minister of Labour / ministre du Travail   |
| S-D-G & East Grenville /<br>S-D-G et Grenville-Est                                 | <b>Villeneuve, Hon / L'hon Noble</b> (PC) Minister of Agriculture, Food and Rural Affairs, minister responsible for francophone affairs / ministre de l'Agriculture, de l'Alimentation et des Affaires rurales, ministre délégué aux Affaires francophones | Welland-Thorold                 | Kormos, Peter (ND)   |
| St Andrew-St Patrick   | Bassett, Isabel (PC)   | Wellington                      | Arnott, Ted (PC)   |
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| St Catharines-Brock  | Froese, Tom (PC)   | Wentworth North / -Nord         | Skarica, Toni (PC)   |
| St George-St David   | <b>Leach, Hon / L'hon Al</b> (PC) Minister of Municipal Affairs and Housing / ministre des Affaires municipales et du Logement   | Willowdale                      | <b>Harnick, Hon / L'hon Charles</b> (PC) Attorney General, minister responsible for native affairs / procureur général, ministre délégué aux Affaires autochtones                                    |
| Samia  | Boushy, Dave (PC)  | Wilson Heights                  | Kwinter, Monte (L)   |
| Sault Ste Marie /<br>Sault-Sainte-Marie  | Martin, Tony (ND)  | Windsor-Riverside               | Cooke, David S. (ND)   |
| Scarborough-Agincourt  | Phillips, Gerry (L)  | Windsor-Sandwich                | Pupatello, Sandra (L)  |
| Scarborough Centre / -Centre   | Newman, Dan (PC)   | Windsor-Walkerville             | Duncan, Dwight (L)   |
| Scarborough East / -Est  | Gilchrist, Steve (PC)  | York Centre / -Centre           | <b>Palladini, Hon / L'hon Al</b> (PC) Minister of Transportation / ministre des Transports   |
| Scarborough-Ellesmere  | <b>Mushinski, Hon / L'hon Marilyn</b> (PC) Minister of Citizenship, Culture and Recreation / ministre des Affaires civiques, de la Culture et des Loisirs  | York East / -Est                | Parker, John L. (PC)   |
|  |  | York Mills                      | Tumbull, David (PC)  |
|  |  | York-Mackenzie                  | Klees, Frank (PC)  |
|  |  | Yorkview                        | Sergio, Mario (L)  |
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A list arranged by members' surnames and including all responsibilities of each member appears in the first and last issues of each session and on the first Monday of each month.

Une liste alphabétique des noms des députés, comprenant toutes les responsabilités de chaque député, figure dans les premier et dernier numéros de chaque session et le premier lundi de chaque mois.



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## Legislative Assembly of Ontario

First Session, 36th Parliament

## Assemblée législative de l'Ontario

Première session, 36<sup>e</sup> législature

# Official Report of Debates (Hansard)

# Journal des débats (Hansard)

Monday 6 May 1996

Lundi 6 mai 1996



Speaker  
Honourable Allan K. McLean

Clerk  
Claude L. DesRosiers

Président  
L'honorable Allan K. McLean

Greffier  
Claude L. DesRosiers



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# LEGISLATIVE ASSEMBLY OF ONTARIO

Monday 6 May 1996

# ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

Lundi 6 mai 1996

*The House met at 1333.  
Prayers.*

## MEMBERS' STATEMENTS

### NURSES WEEK

**Mrs Elinor Caplan (Oriole):** This is Nurses Week and I rise to acknowledge the valuable contribution of Ontario's nurses. Unfortunately, as a result of the Harris government's health agenda, there are now very serious problems facing health care in Ontario. Nurses are not immune to these problems.

Last week, the Ontario Nurses' Association released a study of 20,000 staff registered nurses in Ontario. Some 81% of Ontario's unionized registered nurses say that understaffing in the province's health care facilities has led to unsafe conditions for patients, and 94% of unionized nurses, our front-line workers in health services, believe that reform is needed. However, nurses believe that changes in health care must be made in a managed, coordinated way to address the problems of vast waste and inefficiency existing in the current system.

Ontario's nurses are proposing solutions, but is the government listening? The answer is no. As a result of the \$1.3-billion cut to hospitals, services for people who need nursing care will suffer as an estimated 15,000 more nurses lose their jobs over the next three years. The dismantling of services and the diminishing of the role, responsibility and respect that nurses deserve must stop.

This government is turning the clock back. Research clearly demonstrates that negative clinical outcomes result from replacing the registered nurse with the less knowledgeable. Nurses are a valuable part of our health care.

On behalf of all members of this House I welcome Jane Cornelius, president of the Ontario Nurses' Association, and the other nurses in the gallery today.

### AFFORDABLE HOUSING

**Mr Rosario Marchese (Fort York):** In his budget in mid-March, Finance Minister Martin announced plans to "offer provinces and territorial governments the opportunity to take over the management of existing social housing resources...." I've been meeting and continue to meet with a lot of co-ops in my area because, I must tell you, they're deeply concerned for many reasons. They ask why we would want to even consider handing over the federal co-op housing portfolio to a province which has publicly stated it wants to get rid of all its social housing responsibilities. What will all of these changes mean and what will their impact be on our daily lives?

Co-op members are part of a caring community of people who own, manage and take care of their homes and those of their neighbours. Offering the administration of the existing federal social housing resources to Ontario will mean the destruction of the stable, well-maintained co-op communities that have been built over the last 25 years and the investment all Canadians have made in this unique type of solid, secure and affordable housing. This is precisely what co-op members fear: the inevitable deterioration of the quality of their homes. Some members may lose their homes, and the entire community will suffer.

The Harris government has already cancelled 400 co-ops and non-profit housing projects and is reported to be planning huge cuts to co-op funding, specifically a reduction in the subsidy allotment to co-ops.

Co-op members are urging the provincial government to think about the social, economic and political costs of their actions and to safeguard co-op funding and maintain the existing level of operations.

### HUNTINGTON DISEASE

**Mrs Helen Johns (Huron):** I rise today on behalf of the Minister of Health to acknowledge that May is Huntington Disease Awareness Month. Huntington disease is an inherent brain disorder, and every child of a parent with Huntington's has a 50-50 chance of developing the disease.

Physical symptoms may initially consist of nervous activity, fidgeting or excessive restlessness. The individual may notice a certain clumsiness, alterations in handwriting or difficulty with normal daily physical skills such as driving. These initial motor symptoms will gradually develop into more marked involuntary movements such as jerking and twitching of the head, neck, arms and legs, which may interfere with walking, speaking or swallowing.

Symptoms usually begin to appear in the prime of life, between 30 and 45 years of age, and over the 10- to 25-year course the disease leads to total incapacitation and eventual death. There is not yet a cure and there is no effective treatment. However, scientists have found the gene that causes this disease. It allows researchers to work on developing improved treatment techniques as well as continuing to search for the cure.

The Huntington Society of Canada was founded in 1973 to fight the disease through research, service and education, and I'd like to thank them for providing this information to me. More importantly, I would like to thank them for the support they provide to people and families living with this disease.



## TAX REDUCTION

**Mr Mario Sergio (Yorkview):** Both the Premier and the finance minister have repeatedly told the people of this province that the 30% tax cut is the foundation on which the government plans to create over 725,000 jobs. In fact, the 30% tax cut is the only plan the government has in place to create the promised figure of 725,000 jobs.

However, if people and businesses choose, as surveys suggest, to use their tax savings to pay down personal and corporate debts, your job-creation plan will fail. If you fail, then the province fails as well.

The government has to face up to the fact that this tax cut may not have the desired effect the government is counting on. Numerous surveys now indicate that consumers would prefer to pay down personal debt, while corporations would opt to buy new equipment and pay down corporate debt with their tax savings.

The government, should this initiative fail, has the responsibility to live up to its promise to create the much-talked-about 725,000 jobs. Failure to do so represents a fundamental breach of a campaign promise.

1340

## EMPLOYMENT FAIR

**Ms Marilyn Churley (Riverdale):** Last weekend, I had the wonderful opportunity of attending an employment information fair at Gerrard Square in my riding of Riverdale. The fair was organized by GREAT, which stands for Greater Riverdale Economic Action Together, and featured job readiness workshops and seminars, business and employment networking, discussions of community economic development and much, much more. Those in attendance were also fortunate to enjoy the works of wonderfully talented local artists and musicians.

The fair was made possible partially because of funding from Jobs Ontario Community Action, which, as members will be well aware, has been axed by this government for no other reason than it was a program of the previous government. That's a real shame, because this event was exemplary of the spirit of community and volunteerism this government is constantly crowing about as an alternative to much-needed services. The fact is that months and months of planning went into this event and hundreds of volunteers spent countless hours preparing for it. They all deserve our thanks and gratitude.

Mr Harris likes to speak fondly about the spirit of volunteering, as if it were a new idea he himself invented. The fact is that people across Ontario are involved in their communities in the fashion demonstrated in Riverdale over this weekend. It's truly an insult to have the generous community spirit in our province used as a smokescreen for cutting the services we all pay for and deserve.

## EDUCATION AND TRAINING WEEK

**Mr Toni Skarica (Wentworth North):** I rise to inform the House that today is the first day of Education and Training Week in Ontario. Education and Training Week continues until May 10, and I encourage all of my

colleagues to spend as much time as possible speaking with students, parents and educators in their communities, helping to celebrate their achievements.

There is a wide range of activities that takes place throughout the province during Education and Training Week. Some schools organize literary festivals or hold open classrooms, while other schools conduct environmental activities or science and math demonstrations.

Personally, I will be attending committee hearings on Bill 34, an act that I know enjoys broad support among the members of this House.

Education Week has been observed annually in Ontario schools since 1936, and in 1993 it became Education and Training Week, a title that better reflects all the types of learning that take place in our schools.

This year's theme, "A World of Opportunities," is appropriate, given the changing and challenging times we're facing. It's more important now than ever to support our students. They need to be encouraged in their accomplishments and dreams. They need to know there is a vast exciting world of opportunities out there. Education is not just for the young; it continues for all of us.

One of the most notable aspects of education is that all of us benefit. We profit as individuals because education enhances our personal lives, and we profit as a province as our students become leaders of tomorrow.

## CONNIE NASON

**Mr Michael Gravelle (Port Arthur):** I rise today to bring to the attention of the House the extraordinary impact of government cuts on the real people of this province. I'd like to tell you about Connie Nason. Connie is a full-time student in my riding, studying to be a developmental services worker at Confederation College.

The fact is that Connie is trying to build a better life for herself and her two young daughters, Candace and Deanna. Raising two children as a full-time student, she is working very hard to get her family off social assistance but realizes that she needs the help today so she won't need it tomorrow. Her hard work had been paying off, until this government and its shortsighted policies put yet another roadblock in her way. By taking away her benefits, this government is taking away her ability to build that better life away from social assistance. This certainly is not the hand up promised by this government.

Like so many other full-time students, Connie is already carrying a student loan. She has no one else to support her. As a diabetic, Connie needs access to our health care system, access that will be denied if she loses her Ontario drug benefit card. If she's forced to reduce her studies to part-time as a result of the cuts, she'll also lose her secured child care spots that put her children in a safe, nurturing environment as she works to give them a better future.

Far from helping her to help herself, this government's policy will prevent her from gaining the independence she wants for herself and her children. What will this government tell Connie Nason when it takes away the short-term support she needs to gain long-term independence? What happened to the hand up they promised?



## BOB BALLANTYNE

**Mr David Christopherson (Hamilton Centre):** I rise today to pay tribute to Bob Ballantyne, who is the director of public affairs for Stelco in my home-town of Hamilton. Bob is retiring from this position after 40 years with the company, 40 years in which, in my opinion, Bob has served not only Stelco well, but our entire community. As the president and chief operating officer of Stelco said, and I quote, "Bob has always been dedicated, very professional and acted with the utmost integrity in all the jobs he has performed."

Bob is known as someone who cares about the community, who cares about the company in terms of its role in our community, and he was always the first to ensure that elected people understood what was going on with the company, understood the role of the company's activities in our community and the context of the importance and the needs of our community.

I think Bob Ballantyne has done a great service, not only to his own reputation but to Stelco and to the entire community of Hamilton, and it's with great pleasure that I rise today to wish him and his wife, Doreen, the very best in the future for a happy and safe retirement, one he has so richly earned.

## NURSES WEEK

**Mrs Janet Ecker (Durham West):** I am pleased to inform the House that today marks the beginning of Nurses Week in Ontario and across the country.

Starting in 1971, the International Council of Nurses has commemorated International Nurses Day on May 12, the birthday of history's most celebrated nurse, Florence Nightingale. Since 1986, Canada has expanded the celebration to a whole week, to boost awareness of the nursing profession among the public. Over the years, it has evolved into a marvellous opportunity to educate Canadians about health issues, and appropriately enough, this week's theme happens to be "Ask a Nurse."

I am certain that all MPPs would agree that Ontario's registered nurses are the bedrock upon which our health care system rests. That was certainly the message delivered today by Helen Johns, the parliamentary assistant to the Minister of Health, when she spoke to nurses at North York Branson Hospital. Nurses are on the front lines of health care every day. In community health centres, through information hotlines, at home and in the workplace, there are nurses offering the highest of quality care.

In closing, I wish to pay tribute to all nurses, and challenge every Ontarian to try to ask a nurse this week.

## VISITORS

**The Speaker (Hon Allan K. McLean):** I would like to inform the members of the Legislative Assembly that we have in the Speaker's gallery today a parliamentary delegation from the Volga region of the Russian Federation. Please join me in welcoming our guests.

**Mrs Marion Boyd (London Centre):** Mr Speaker, I believe we have unanimous consent regarding the death of a former member of the Legislature.

**The Speaker:** Agreed? Agreed.

## KENNETH BOLTON

**Mrs Marion Boyd (London Centre):** I stand in the House today to honour the memory of Archdeacon Kenneth Bolton, a former New Democrat member of this Legislature from 1969 to 1971. Ken represented the riding of Middlesex and he brought his lifelong zeal for social justice to his work as a member of provincial Parliament.

Ken was born in England, and at his death at age 89, he was en route from England from what he had fully expected to be his last visit to his two sisters who continue to live in Britain. Ken told his son, also Ken, who was travelling with him, as they boarded an airplane back to Canada for his last flight: "I have seen everything I wanted to see. I have done everything I wanted to do." What a wonderful sentiment for all his friends and family to remember as we mourn his passing.

Ken Bolton came to Winnipeg from England in 1925, where he studied and was ordained an Anglican priest in 1933. Before being named Archdeacon of Bishop Cronyn Memorial Anglican Church in London, he had held charges all over Canada — Montreal, Walkerton, Hanover, Windsor, Sarnia — as well as serving as the chaplain of Huron College and an associate professor of pastoral theology at the University of Western Ontario. In his later years, he assisted at St Martin-in-the-Fields Anglican Church in northeast London, where the requiem eucharist will be held for him tomorrow morning.

All his life, Ken Bolton strove to achieve social justice. In his parish work, in his teaching, in his writing, in his efforts with Oxfam, Amnesty International, St Leonard's Society, Alcoholics Anonymous, the Primates World Relief and Development Fund, his enthusiastic hopefulness was a beacon for others.

For younger New Democrats like me, he was quite simply a hero, always there to encourage and exhort the party and its candidates, always at nomination meetings to remind us that New Democrats could win in southwestern Ontario.

## 1350

Ken reminded us that we needed to be able to win as well as to lose. He himself ran unsuccessfully for a federal seat on two occasions and he won his seat in this place in a by-election result which took everyone by surprise. We all used to joke that we had waited too many years for a similar surprise in 1990.

Ken never stopped working for justice. I remember only a few years ago he and his wife, Lucy, who predeceased him in 1992, worked to create a tenants' association in their retirement community because they believed that tenants in retirement communities deserve the same rights as other tenants under the laws of this province.

When Ken decided to move to British Columbia last year to be nearer his children, we felt a great loss in our community and we were glad that we could use the nomination meetings for the 1995 election as a forum to thank and honour Ken.

Ken will be fondly and sadly remembered by his children, Ken, Robin, David, Margaret and Patricia. They can be very proud of the many accomplishments of their father and I hope they know his intelligence, his faith, his



humour and his willingness to take risks on behalf of those requiring advocacy and assistance continue to inspire a whole generation of us who learned from his example.

**Mr Bob Wood (London South):** I knew the Reverend Kenneth Bolton for over 30 years, and while we did not see eye to eye politically, we always had very good discussions and very good relations. He was a parish priest, a professor and a politician. In all these roles his efforts always were oriented towards helping others.

During his time in this place, he was the correctional services critic for his party and I think his views, while the government did not always agree with them, were always carefully considered and were always respected. The example of service that he gave throughout all of his life is one that can inspire all of us in this House and all citizens of Ontario.

**Mr Sean G. Conway (Renfrew North):** On behalf of the Liberal caucus, I want to join with the two members from London who have already spoken in conveying our sympathy to the Bolton family on the passing of Archdeacon Kenneth Bolton, who for two years in the late 1960s and early 1970s represented the electoral district of Middlesex South in this assembly. I didn't know Archdeacon Bolton, but people I knew who did know Reverend Bolton certainly found him to be a man of extraordinary talent.

I want to say something about the famous by-election because my friend from Nickel Belt — it was a long time ago. It was 26½ years ago and the distinguished member of the press gallery Mr Dowd is probably the only person around who would remember that day in September 1969 when the incredible happened. A New Democrat — more than just a New Democrat; an Anglican priest running for the New Democrats — won an electoral contest in Middlesex, in the backyard of the then Premier of the province, Mr John Robarts. It is hard today, when we have New Democrats from places like London, to imagine just how Reverend Bolton's victory on that occasion shook the political establishment of this province to its core.

There were a couple of issues in the by-election that were certainly also very important. To give credit to the New Democratic Party, it was a by-election where they managed, most especially with their excellent candidate Archdeacon Bolton, to make medicare a major issue. As Mrs Boyd has said, the reluctance of the then Conservative government headed by Mr Robarts to enter the federal medicare plan was a major issue in the by-election. That the NDP should win Middlesex in that by-election, I think it is fair to say, brought the Ontario government much more rapidly into an acceptance of the medical care plan that was being advanced at that time by the government of Canada.

I don't want to be mischievous, but Reverend Bolton's by-election victory also stimulated what I shall call the Stephen Lewis insurgency that was then well under way in the NDP. Stephen, I think, played a very active part in securing Archdeacon Bolton's victory in that by-election. While there are no records left of — well, I should say I brought Don MacDonald's book; I won't go into that. But the Bolton by-election win in Middlesex on that

occasion 26 years ago was a very, very significant event. I should say, for the record, that the Tories took it back two years later when Bob Eaton won the seat.

Ken Bolton came to this place. Don MacDonald says in his book it was a sensational victory. That it was. He served this assembly well and we commemorate today his distinguished public service, not just in politics but in church work, in volunteer work and, I might add, he was quite an accomplished theatrical personality as well.

**The Speaker (Hon Allan K. McLean):** I want to thank the honourable members for their kind comments. I will see that a copy of Hansard is sent to the Bolton family on behalf of all the members here.

## ORAL QUESTIONS

### TAX REDUCTION

**Mr Gerry Phillips (Scarborough-Agincourt):** My question is to the Premier and it has to do with the budget tomorrow. We fully expect that what was in the paper today will be what's there tomorrow; that is, that we should expect to see what was in the Common Sense Revolution.

The Common Sense Revolution, Premier, you will know, indicates that you plan to add about \$20 billion to the debt of the province over the next four years, and we expect those are roughly the numbers that we'll see tomorrow. That, by the way, is about \$8,000 per family.

The Common Sense Revolution also indicates what you call the direct fiscal impact of the Common Sense Revolution, and your tax cuts are spelled out in there — the 30% tax cut that you've committed to implementing over the next three years. That's roughly about \$15 billion in tax cuts — \$15 billion. Those are your numbers, Premier. I hope it doesn't come as a surprise. This would be very shocking if that comes as a surprise to the Premier because you campaigned on this, if you remember, the direct fiscal impact. That adds up to \$15 billion over the four years that I mentioned. Believe me, I hope that you understand these numbers, Premier.

If the debt and deficit is such a huge problem, and if all of us have to fight the debt and the deficit, and you are going to add \$20 billion to the debt and deficit over the next four years, explain to the people of Ontario how we can afford a tax cut that you indicate in your Common Sense Revolution will represent \$15 billion in lost revenue to the province.

**Hon Michael D. Harris (Premier):** The member raises a figure of the total debt of the province going up by \$20 billion over the next five years until we get the budget balanced, and he's quite right; the total debt will go up by about \$20 billion. Quite frankly, if we were to maintain the pace of the debt and deficit that we had of about \$12 billion a year, without our actions it would go up, over five years, 12 times five years or \$60 billion. We have reduced the growth in the total debt going from \$100 billion to \$160 billion to go from \$100 billion to \$120 billion.

Quite frankly, we're not happy that the total debt of the province of Ontario will go up \$20 billion over this



period of time, but the reason it will do so is, as we indicated in our campaign commitment, it will take us five years to get the yearly deficits from \$12 billion down to zero. If you look at the numbers of approximately eight and six and four and two, that will add up to \$20 billion. All of that will be achieved by reducing the amount of overspending and by the stimulative effects of our tax cuts.

**Mr Phillips:** Those who listened carefully to the question and answer will know that the answer you gave had nothing to do with the question. I will ask the question again, Premier. You plan to add \$20 billion to the debt of the province over the next four years. By your own admission — this is straight out of your document, the Common Sense Revolution — your tax cuts, and you call them the direct fiscal impact of the Common Sense Revolution, represent \$15 billion of lost revenue. That is the question people in Ontario want an answer to.

1400

If the debt and deficit are so absolutely crucial to fight — and I might add that I think the people of Ontario are quite prepared to fight the debt and deficit — if it is such a huge problem, explain to the people of Ontario how the province can afford a \$15-billion loss of revenue because of the tax cuts over the next four years. Explain that to the people of Ontario.

**Hon Mr Harris:** In the preamble, which I think it is important that I talk about, the member repeated that the total debt of the province of Ontario will go up by \$20 billion. Clearly, I must repeat that without the actions we are taking, the total debt, had we carried on the way the NDP were heading — \$12-billion deficits a year — would have gone up over a five-year period by \$60 billion. So I'm quite pleased that we have cut that into one third by responsibly dealing with the spending and massive over-spending that we inherited over the last 10 years from the Liberals and the NDP.

The second part of the question dealt with if you could get as many people working, paying as many taxes without stimulating the economy and tax cuts, a theoretical number of difference that is there, the \$15 billion. Quite frankly, we'll get more than that back over the next five years with more people working, more jobs, more profits, more companies making profits, paying more there, more sales taxes being paid. I understand, I clearly understand that the Liberals believe high taxes are good for Ontario. We fundamentally disagree. That was the fundamental disagreement in the campaign and it is the fundamental disagreement that we have with you today. You like high taxes; we don't.

**Mr Phillips:** Frankly, the fundamental problem, Premier, is we have no confidence in your ability to manage the finances of the province. When you were last in government the largest single increase in personal income tax occurred under you. There's the last time a Conservative government balanced the budget: 1969. It is a joke to think you can manage the finances of the province.

I'll ask the question again because it's one of fairness. Tomorrow you're going to announce a tax cut. Fully implemented, Premier, people making \$150,000 in this province will get a \$5,000 tax break. This is a question of fairness.

On Friday, I had a couple in to me: lost their jobs, lost their businesses, broke. You cut \$200 a month from them. We have to help them find a basement apartment. I said, "Why is that happening?" Because you have to fight the deficit. Again, Premier, I ask you this question, of fairness. If the deficit and the debt are such big problems that everyone has to fight them — that couple, that support was cut from \$1,000 a month to \$800 a month. They've got to move out of their apartment into a basement apartment to fight the deficit.

It's a question of fairness, Premier. If it's that big a problem, how can we afford, with your fully implemented 30% tax cut, to give someone earning \$150,000 a year a \$5,000 tax break while we are asking people on \$1,000-a-month support to move into basement apartments? Can you explain the fundamental issue of fairness to those people?

**Hon Mr Harris:** Let me deal with the preamble and then repeat it again by way of summary in asking the question. What I cannot explain is how you have the facts so misrepresented, so off-base. If you'll just wait till the budget comes out tomorrow you'll find out what the reductions will be for a \$150,000 income earner, a \$30,000 income earner and a \$50,000 income earner. I can tell you this much without infringing on any budget secrecy: Your numbers are all wet. You are wrong.

Secondly, for the member to say that they don't have confidence in this government — we understand; you are a government that likes high taxes. You are now campaigning, I guess, in a by-election in York South: "Vote for us for higher taxes. We'll fight the government that wants to bring tax rates down to a level where we can have more jobs, where we can have more people working."

Finally, the member mentioned something about talking to businesses that went bankrupt. Yes, until we get tax rates down, until we get more people working — and we're confident that this change of direction from the disastrous Liberal and NDP policies will do that — unfortunately, there are people hurting and there will be more people hurting unless we change direction and bring responsible, accountable government to the people of Ontario. That's what we campaigned on and that's what we're doing.

**The Speaker (Hon Allan K. McLean):** New question.

**Mrs Lyn McLeod (Leader of the Opposition):** My question is also for the Premier. I suggest that we know this Premier understands about income taxes, because he was, as my colleague says, part of the government that brought in the highest increase in personal income tax in Ontario's history. We know he understands income tax.

**The Speaker:** Is that who your question is to?

**Mrs McLeod:** My question to him is about the real and the very immediate impact of tomorrow's budget. We saw the Premier trooping around the province last week trying to sell his budget in advance as good news and having a rather rough job of it, because the fact is that this budget is not good news if you happen to be, for example, a middle-income family and if you're going to be paying higher property taxes, more user fees and higher tuition fees for your children's education.



This budget is nothing but a shell game. The Premier is going to give a tax cut that mostly benefits the well-to-do, and he's taking away that money from middle-income families with higher property taxes and user fees and tuition-fee increases that will be as high as \$490 per student this fall alone. Premier, how much of your tax cut do you think a middle-income family with a child in college or university is actually going to end up with after they pay their higher property taxes and user fees and \$490 more in tuition?

**Hon Mr Harris:** Again the member indicates that some 12 or 13 or 14 years ago there was a government in this province that hiked income taxes and that it was a Progressive Conservative government, and I would acknowledge that was the case. At the time, we weren't among the highest-taxed in North America.

But I want to point out this: That hike in taxes at that point in time, that increase, was not enough for you. That wasn't enough for you or the NDP. You wanted that plus — you, your own government — 32 more tax increases on top of it. You didn't come in and cut that tax back; you took that plus every other tax increase you could. And then that wasn't enough for the NDP; they brought in another 32 tax increases on top of that.

Also, the member, by way of preamble, talked about my tour last week to the peninsula and to the London area. I want to assure the member that I have never been better received as I travelled the province of Ontario. I want to tell you there was overwhelming support for the tax cuts; I would say about the same as the survey the NDP did, about 90% in favour and 10% opposed.

**Mrs McLeod:** I have no quarrel with the fact that this Premier understands about taxes. Not only was he part of the government that brought in the largest increase in income tax in our history, he was also part of the government that raised OHIP fees, part of the government that brought in increases in sales tax and even put a tax on personal hygiene products. He was in fact the individual who rammed these tax bills through committee. We know he understands about taxes — no quarrel there.

My concern is whether this Premier understands that his so-called tax break is not a break for anybody but the wealthy. Premier, take an example of seniors in this province. Take as a specific example a pair of senior citizens who are on a fixed income of \$40,000 a year. They are going to receive a few hundred dollars from your tax cut, but they are facing all kinds of new costs. On June 1, they're going to have to pay a prescription fee for all their prescription drugs. If they live in the greater Toronto area, they're going to face a huge increase in transit costs. They're going to potentially be facing higher rents for non-profit housing.

Premier, I wonder if you've done the calculations here. I wonder if you can tell us how much more those seniors are going to have to pay to cover the hundreds of dollars in new health care user fees and higher rents and transit fees because of your government's policies. Do you realize they're going to have less in their pockets when you're done, not more?

**Hon Mr Harris:** Again, by way of preamble, the member mentioned my party. When it left office in 1985, the total tax revenue coming in to the province of Ontario

was about \$15 billion. Five years later, when your big-taxing — and still talking big-taxing — Liberal government left office, the province of Ontario was taking in close to \$34 billion in tax revenue; not total revenue, just tax revenue. You more than doubled it, and clearly that's not enough for you. The NDP hiked tax rates, and now you're supporting those tax hikes as well.

1410

If the member wants to talk about a record of living within one's means or who has consistently fought for tax rates that would be competitive, the tax rates when we left office, even with the increases that were there, were chicken feed compared to the taxes you took away from Ontarians through that period of time.

As to the specific question, individuals, families, those with children, those who are out there working at minimum wage, middle-income earners, working-class Ontarians and seniors will all be much better off on Tuesday than they are today.

**Mrs McLeod:** It's actually the Premier who likes to talk about records. I want to stretch his memory back a little further. I want to talk about the budget he is going to bring in tomorrow, the first budget his government has actually produced, because I believe this budget is going to do what every single action of your government has done from the day you took office, and that is divide the people of this province into winners and losers. If you're rich you are a winner, because the tax cut is big enough that you're still going to come out ahead even after the new health tax and all the new user fees your government has imposed. But if you're an average working person or a senior or a student, you are going to lose because your tax cut will be snatched back by user fee after user fee, tuition hike by tuition hike, and health care cut by health care cut.

Will you not acknowledge that this tax cut is nothing but a shell game? Will you acknowledge that your tax cut will benefit the most wealthy and leave middle-income families paying higher property taxes, new user fees and more tuition for college and university?

**Hon Mr Harris:** The member says she wishes to talk about the budget to be tabled on Tuesday. Let me assure the member she, or somebody on behalf of her party, will be given all the time on Wednesday to talk about the budget that comes on Tuesday.

Secondly, you're going to have to rewrite your speech for Wednesday, because everything you have talked about today is absolute and utter nonsense. Every single Ontarian will be better off Tuesday than they are today.

**The Speaker:** New question.

**Mr Bud Wildman (Algoma):** My question is to the Premier, and it follows through with the questions he's just been dealing with and his commitment that everyone will be better off on Wednesday. We're dealing tomorrow, Tuesday, with the second instalment of the budget, the first instalment coming on the expenditure side with cuts on April 11. Tomorrow is dealing with changes on the revenue side.

I'm looking at the Common Sense Revolution document appendix, the fifth printing, in which it deals with the revenue, among other things, and on revenue it says in the years 1996-97 through 2000-01, those five years,



as the Premier has indicated, there will be a decline in revenues of \$20 billion, approximately. The Common Sense Revolution also states that this will produce an economic drag on the economy of about 0.5%; that is, about \$200 million to \$300 million in additional revenue lost. Will the Premier agree that the cuts in revenue proposed in the CSR, which I anticipate will come forward in the budget tomorrow — or at least part of that — will produce a drag on the economy?

**Hon Mr Harris:** Tomorrow the Minister of Finance will detail the spending estimates for the province of Ontario. The figure the member uses of 0.5% drag on the economy would be an annual impact of all the reductions when they are fully implemented over a two- or three-year period. We have been quite upfront in this. We are downsizing the public sector, and that will have a very minimal but a noticeable and identifiable drag on the economy, as, by the way, will the reduction of the public sector on public sector spending.

I might add, though, that if you just want to deal on the spending and deficit side, the tremendous impact of reducing that spending so we can balance the budget will have a far greater economic impact than any drag of the reductions in spending.

**Mr Wildman:** I appreciate that the Premier finally, it appears, has agreed that the cuts in expenditures are related to the cuts in revenue on the tax side, that they are part of the same package, that there is only one bottom line. In the past he's tried to argue that the two are not related.

But dealing with the revenue side, in the document the CSR, first it was stated that the tax cut would cost the province lost revenues of \$20 billion over five years, then later the Premier said that the tax cut would not cost anything. On March 25, he said in the House: "The tax cut, over the five-year term — and it is a five-year program that we laid out and a five-year program we plan to implement — the tax cut over five years will finance itself. We stand by that: We campaigned on that and we are repeating that today."

Now today in the House you're saying that the tax cut, at least in the short term, will cost money, but you're saying that's required as part of the overall cuts and that the spending cuts will help to balance the books.

First the tax cut will cost money, then it's revenue-neutral, and I guess the Premier is now arguing it's a money-maker in that he feels it will stimulate the economy. Which is it? Does it cost money, is it revenue-neutral, or will it actually make money for the provincial treasury?

**Hon Mr Harris:** The tax cuts are what we call a job creator, and job creators will put more people to work. It will help those who are unemployed, it will help those who are on welfare, it will put more dollars into the hands of businesses, and in the long run, with increased sales taxes from increased spending, with increased revenue, with more people making more money, with more businesses making more money, it ultimately will return more dollars to the province of Ontario. I stand by that. I want you to write that down, I want you to etch it in stone, and I want you to bring it back to me in 1999

or in 2000 when we look at the total revenues of the province versus today.

The member says that today I acknowledge that tax cuts will have an impact on the income of the province. When you asked me in your first question, I acknowledged that the spending reductions do produce a drag on the economy, not near as big a drag as the deficit does, but you have to put it all into perspective. As you reduce the deficit to zero, this will have a far greater impact on the economy than will the modest drag of reducing the spending too so you can balance the books. That's what we are doing.

**Mr Wildman:** If I listen carefully to the comments of the Premier, he says he believes the deficit is a bigger drag on the economy. It would mean, I would think, if that's what the Premier and his government believe, that the government should be getting rid of the deficit before it gets rid of revenues.

But let's deal with the question of the economic stimulus the Premier alluded to. He said we should etch it in stone. The economic assumptions of the Common Sense Revolution rely on revenue growth because of economic growth in the province projected at 4.5%. We now have projections for the next few years of economic growth in the province at much less than 4.5%. As a matter of fact, for next year it's projected to be about half of that. That means your spending cuts, I suspect, will have a larger impact on the economy than even you are prepared to accept.

1420

Before the standing committee on finance and economic affairs on February 2, the Minister of Finance said that he did not have any revenue growth projections from the tax cut in his numbers. Can the Premier give us assurance today, since he wants us to etch things in stone, that tomorrow's budget will disclose the revenue projections in the medium-term fiscal plan and that he'll be able to clearly show that the revenue growth that you count on coming as a result of economic stimulus you're projecting will in fact happen, and that we won't face a much slower growth rate than you are now prepared to admit?

**Hon Mr Harris:** I can absolutely, positively guarantee you this: Our projections will be far sounder and far more accurate than any one of yours over the five years that you brought in budgets in the province of Ontario. I can absolutely guarantee you that.

Secondly, let me say to the member that tomorrow you will get the budget, you will get the information, you will get the projections that are there.

Let me acknowledge again, by way of preamble, that the member indicated that there are some advocating, "Balance the books first before you cut taxes." I want to say to you that those who advocate that already have taxes far lower than us and are benefiting from investment in jobs that are going to their jurisdictions. I understand why they don't want a big, powerful, competitive Ontario like we had for 42 years; I understand that. But that is their problem, because big and powerful and the jurisdiction of choice for investment in jobs is the goal of this government whether they like it or not.



Secondly, I want to say to the member that there are others who are advocating, like the Liberals and yourselves, that we should balance the books first before tax cuts. They are people, your party and the Liberal Party, who are prepared to accept 8% and 9% unemployment, 1.2 million on welfare. My colleagues are not prepared to accept that. We are going to create more jobs; we're going to put more people back to work.

#### NIAGARA REGIONAL POLICE FORCE

**Mr Peter Kormos (Welland-Thorold):** I've got a question of the Solicitor General. I've got a copy of a letter dated February 7, 1996, sent to the Solicitor General from his colleague the member for St Catharines-Brock concerning the Niagara Regional Police Force.

In his letter, Mr Froese writes, "As a result of the reduction in the transfer funds by the province to the Niagara regional government, the region has asked the Niagara Regional Police Force to cut \$2 million from their 1996 budget." Mr Froese goes on, of course, to refer to the Common Sense Revolution, which said that funding for law enforcement and justice will be guaranteed. The member for St Catharines-Brock notes that the association is simply asking the government to guarantee that no funds be cut and that funding continue at the 1995 level.

To the Solicitor General, I say that your own government colleague is seriously concerned that the election commitment you and he made to the people of Ontario isn't being kept. Minister, please, how can you keep your election promise regarding policing and law enforcement when cuts to municipalities imposed by this government to pay for this mindless tax break for the rich are filtering down and affecting front-line policing?

**Hon Bob Runciman (Solicitor General and Minister of Correctional Services):** There's no evidence that any of the transfer payment reductions have impacted on front-line policing. I know the Niagara region situation. There is a discussion occurring with the council and the police services board, but no final decisions have been taken with respect to the budget, how it is eventually structured.

I indicated last week in a question along the same lines that there is the protection built in through the Ontario Civilian Commission on Police Services. If there is a difference of opinion with respect to the ability to provide adequate and effective policing in any given community, we have the fallback where they have to pass that test, if you will, through a review by the civilian commission. So I remain confident that there will be no impact on front-line policing in this province.

**Mr Kormos:** The problem is that the Solicitor General replied to that letter on April 16, 1996. In his response to the exhortation from Mr Froese, the Solicitor General wrote, "No sector is exempt from the need to cut costs," referring specifically to the Niagara Regional Police Force, and I assume other police forces across Ontario.

The Solicitor General has as much as admitted that policing will not be exempt from the irrational cutting and axing and slashing by this government. The Niagara Regional Police Force budget is going to be cut by literally millions of dollars, and the Niagara Regional

Police Services Board has already cut all the administrative costs that it can. You promised that policing would not be cut. You admit in the Common Sense Revolution that funding restrictions "have direct effects on the ability of police to meet the needs of their communities."

You, Solicitor General, and your government are responsible for the cuts the region of Niagara is imposing on the Niagara regional police. You're breaking your promise; you're betraying the police of this province. What do you say to the police of the Niagara Regional Police Force and the people they're committed to protecting?

**Hon Mr Runciman:** I'm not hearing from police that we're betraying our commitment with respect to the promises we made during the election campaign. We have committed to a very significant review of the financing and structure of police in this province, the first such review undertaken in almost a quarter of a century.

We're going to take a look at the responsibilities and roles of police officers right across this province. We believe there are efficiencies that still can be achieved. We believe we can remove police officers from some of the responsibilities they currently undertake and free up those individuals for front-line duty.

Police officers across this province realize we have a spending problem in this province. They want to play a role in achieving the solution. I'm finding very strong support, as I travel across the province, among rank-and-file police service officers.

**Mr Kormos:** The Solicitor General has to understand that the Niagara regional police and their police services board have already been through the process of trimming any fat. Look at what the Niagara Region Police Association reported recently: A sexual assault victim was required to wait 40 minutes before a police officer could respond; a hit-and-run call was not responded to for three hours and then it was put off, deferred to the next day; an older victim, a senior who was a victim of a break-and-enter, had to wait four hours at a neighbour's house until police could arrive to respond to the emergency call.

Solicitor General, last Thursday you said, "When we make a promise, if you will, with respect to the front lines, that is not a blank cheque." The Common Sense Revolution says that funding for law enforcement and justice will be guaranteed. We've got you backing down now. The Niagara regional police know it. They're under attack. They've trimmed the fat; they've eliminated the inefficiencies. When are you going to admit that you simply can't keep your promise to policing because your government is forcing you to comply with its mindless tax breaks for the richest in this province?

**Hon Mr Runciman:** I believe we will be able to keep our commitment. We're not simply throwing money at problems as the NDP did in the past. We believe there are solutions to this through restructuring, administrative efficiencies, looking at the whole question of financing of police.

If you look at the feelings of the rank-and-file police officer in this province versus when those folks over there were in government, I think they feel very much more positive about the relationship. The police officers — just recall the blue ribbon day out here when



we had 5,000 or 6,000 or 10,000 police officers on the lawn — could not gain access to the minister, let alone the Premier of this province. They have my ear. We sit down and talk on a regular basis. I'm listening to their problems. We're trying to solve their problems, unlike the NDP, who were in a constant battle with police officers across this province. They have a much better relationship with this government and they're looking forward to a positive future.

1430

### GOVERNMENT ADVERTISING

**Mr James J. Bradley (St Catharines):** I have a question for the Premier. Premier, you're embarking upon an exercise with this budget, and previous to this budget, which involves some unprecedented cuts in services to people of all ages and from all backgrounds in the province.

At a time when you are making these unprecedented cuts, the people of this province want to know something. They want to know whether you are prepared to assure this House, members of the news media and the public at large that you will not embark upon an advertising blitz the like of which you embarked upon recently after your tax cuts, which cost the taxpayers \$350,000. This afternoon, will you give this House and the people of this province an assurance that you will not embark upon an advertising blitz subsequent to this budget?

**Hon Michael D. Harris (Premier):** I would like to say, by way of commenting on the member's preamble, that dealing with unprecedented cuts in services we are reducing budgets, but I believe the services we are and will be providing-

**Mr Bradley:** Are you or are you not going to start off on an advertising blitz?

**Hon Mr Harris:** If you just wanted an answer to the question, you shouldn't have had the misinformation in your preamble. I must respond then to the misinformation that was in your preamble.

The people of this province of Ontario will see unprecedented gains in programs and services from this government through doing more with less, through making sure the dollars we spend get right into those programs that help people. I think this will be self-evident when the budget is released tomorrow.

With respect to the second part of the question that had to do with advertising, I have not talked to the Minister of Finance and don't know the final details but, sight unseen, without talking to him, I assure the member we'll spend less in advertising than his government did, just as we spend less in staff, less in spending, less in advertising. There may be some very modest ads, far less than you or others spent, as to where people can get their own copies of the budget, but I assure you that not one single person in this House, other than you or the New Democrats, including every member of the media, will call it a blitz.

### POLICE SERVICES

**Mrs Marion Boyd (London Centre):** My question is to the Solicitor General. It's been reported that you are

planning to charge rural municipalities per household for provincial police services and that the suggestion by officials in the Ministry of Municipal Affairs was that the charge could be up to \$220 per household. This was reported to the Peterborough county council last week and has not been denied by the Ministry of Municipal Affairs.

In your blueprint for social justice and community safety it states, "Police should be given greater priority and support, including the allocation of existing resources." Over and over again, you and your government say there's only one taxpayer. In the Common Sense Revolution, it states, "There may be numerous levels of government, but in this province there is only one level of taxpayer."

It's my understanding that if you go ahead with this charge, which frankly from our point of view is the head tax you allowed under Bill 26, it would affect almost 600 municipalities which currently receive free OPP policing. Is your government proposing that municipalities collect a head tax so that you can keep your campaign promise to maintain front-line policing and cut provincial income taxes?

**Hon Bob Runciman (Solicitor General and Minister of Correctional Services):** The question of equitable financing for police has been around for some time, certainly faced by your government and the predecessor Liberal government. We have a situation in the province where we have some municipalities paying for OPP policing, and others are not paying in a direct sense.

We have not made any decisions with respect to this matter. We're now in a consultation phase with the policing community, stakeholders and the Association of Municipalities of Ontario. We sent out the discussion papers last week across the province asking for feedback on a whole range of issues, and this is one of them. Certainly it's an issue that requires a review, and we're in the process of doing that.

**Mrs Boyd:** Quite clearly the answer is yes, this is something that's intended by your government. What you're doing is forcing municipalities to do your dirty work, to raise the kind of dollars that you're purporting to the population of Ontario to cut in our taxes.

User fees and taxes come out of the same pocket, Minister, and it's quite clear that as you go along with this whole issue of taking credit for pending tax cuts, you're taking out of our other pocket in ways that were never contemplated by our government. Yes, we talked about disentanglement; yes, we talked about ways to even out the cost of policing, but what you don't say, Minister, is that no government has ever suggested this kind of a head tax to pay for policing, and certainly not a government that said, "We will work closely with municipalities to ensure that any actions we take will not result in increases to property tax."

Which side of your mouth are you talking out of when you say that you're not raising taxes, that you're lowering taxes, when at the same time what you are doing is taking the same kind of dollars out of people's pockets that you promised would be theirs to spend on your economy?



**Hon Mr Runciman:** I guess the member is trying to get a quick and dirty headline with respect to this head tax wording that she's utilizing. We're getting complaints, as her government did, as the previous government did, from municipalities that are paying for policing while others aren't. I'll mention several municipalities we're hearing from. How about Cochrane North and Kapuskasing? How about Lake Nipigon and Marathon? How about Windsor-Riverside with Tecumseh?

The member talks about speaking out of both sides of one's mouth.

*Interjections.*

**Hon Mr Runciman:** They don't want to hear this answer, apparently. She's talking about speaking out of both sides of one's mouth.

There was a memo of understanding signed as part of the social contract stating that all municipalities regardless of size should pay for their police coverage. Also, and this is a quote, "There will be in place a system of fairness where all communities will pay their fair share for policing," Orillia Packet, David Christopherson, Solicitor General.

Another quote: "It is our intention to implement equitable police financing, which means all Ontarians pay their fair share of policing," Ottawa Citizen, David Christopherson.

I'll let the public judge who is speaking out of both sides of their mouth.

#### RACCOON RABIES

**Mr E.J. Douglas Rollins (Quinte):** My question is to the Minister of Natural Resources, Northern Development and Mines. Minister, it has come to my attention, due to the increase in the raccoon population and an increase in the rabies spreading from New York state, that there is a growing concern in residents of eastern Ontario and in speaking with trappers in my area. Is there any possibility, Minister, that you could extend the trapping season for the raccoons till May 15, thus allowing control of the spread and population of the raccoons?

**Hon Chris Hodgson (Minister of Natural Resources, Northern Development and Mines):** I'd like to thank my colleague the member for Quinte. This is an important issue that many members of the public are concerned about.

I'd like to let the public know, though, and the member, that there are no known cases of raccoon rabies in Ontario at this point, and this is a priority of the MNR. We've dropped over \$1.8 million in vaccine baits in southern Ontario as a preliminary step to try to curb the spread.

Trapping in the past has never proved to be a measure that's worked on a large geographic area. In fact, raccoon rabies, like other rabies, is dependent on density of the species.

But I would like to assure the member that if there are specific cases, isolated cases, that we'd look at that as an option along with the vaccines for a localized solution.

**Mr Rollins:** Minister, I know that all over the whole province, the rabies have been a large population increase, but particularly in eastern Ontario where the bor-

ders are extremely close, that's where a strain of rabies has been completely different from what we've ever had before, and it is very, very hard to control. We're going to continue to make sure that there is no stopping trying to prevent these rabies from going on into the rest of Ontario.

1440

**Hon Mr Hodgson:** I'd again like to thank the member. It's true that MNR does take this threat very seriously. As I mentioned, we spent \$1.8 million last fall to drop vaccine bait around eastern Ontario and the southern border areas.

I would like to clear up one thing, though, that has been reported. Raccoon rabies are no more harmful to the public than fox rabies. The only difference is that one is spread by raccoons, the other by foxes. Sometimes it's reported that it's a more serious health concern.

All governments in the past, all parties that have represented the Ontario government, have recognized the control of rabies as a priority. We've gotten one of the best reputations in the world for control of rabies. In fact, we're called upon by other jurisdictions to lead their efforts for information and baiting. The results speaks for themselves. Last year there were only 328 reported cases of rabies in the whole province of Ontario. That's the lowest number since 1960. In eastern Ontario, which the member speaks of, there wasn't one single case of fox-strain rabies reported since March 1994. I think that record speaks for itself.

#### OVERTIME PAYMENTS

**Mr Sean G. Conway (Renfrew North):** My question is to the Chairman of Management Board. On Friday, the Midland Free Press reported that during the recent five-week OPSEU strike, 53 managers at the Penetanguishene Mental Health Centre were paid a total of \$725,000 worth of overtime and that the overtime payments for those 53 managers averaged \$13,700 per manager, ranging from a low of \$3,500 for one manager to \$50,500 for another manager.

Minister, can you confirm that in fact 53 managers were paid \$725,000 worth of overtime during a five-week provincial civil service strike just a few weeks ago?

**Hon David Johnson (Chair of the Management Board of Cabinet):** What I can confirm, not having been notified of the question in advance, is that during the course of the strike, the management personnel were required to put in extremely long hours, many of the management personnel working right around the clock. Indeed, on some occasions management personnel spent a full 24 hours on staff. It was the policy to pay for overtime.

In addition, the member will know that during the course of the strike, the reduction in the cost to the government was some \$10 million a day, but there were offsetting costs. The costs went down by about \$10 million a day because of the strike, but those people who were required and compelled to work overtime were paid overtime on the basis of straight time — not double time but straight time — and were compensated accordingly. And still the savings to the taxpayer were in the vicinity of \$8 million a day.



**Mr Conway:** The local member of the Legislature, a certain Allan K. McLean, Simcoe East, was quoted in the Midland Free Press on Friday as saying the following about the situation: "I find it totally unacceptable and I just can't believe that this would be possible." Mr McLean is absolutely right.

I want to put the question again to the Chair of Management Board. How is it possible that in Mike Harris's tax-cutting, program-slashing Ontario, a provincial public servant managing public affairs could receive as much as \$50,500 worth of overtime in a five-week period, claiming, as he does in the article, that he was paid for every waking and sleeping hour he spent at this particular Penetang psych facility? How is it possible that anybody could claim \$50,500 worth of overtime in a five-week strike, the purpose of the strike, from your point of view, being efficiency and budget cutting?

**Hon David Johnson:** Again I will assure the taxpayers of Ontario that the costs associated with the strike were very minimal by comparison to the cost reductions. The spending reductions during the period of the strike of about \$10 million a day greatly outweighed the additional costs, costs which, I might say, are legitimate in terms of paying people overtime. I will reiterate that some people literally were required to work 24 hours a day around the clock. But I will say to the member that I will be happy to look into this particular circumstance. I don't have the precise data on this particular circumstance, and I assure the member that I will look into it. Notwithstanding that, the net result of the strike was a considerable reduction in spending to the taxpayers of Ontario.

#### TRANSFER PAYMENTS TO MUNICIPALITIES

**Mr Bud Wildman (Algoma):** I have a question for the Minister of Municipal Affairs and Housing, who was working overtime with some of his colleagues in Thunder Bay last Friday when he met with the Northwestern Ontario Municipal Association representatives in Thunder Bay.

Last November your government announced a cut of 43% in municipal transfers. On Friday you said: "I've heard politicians say they're planning for no money from the province. I think there are benefits to that approach, setting your sights on zero subsidies. That's not a bad thing to have in the back of your mind as you get down to business."

Are you planning, as a result of the tax cuts your government is committed to, to eliminate municipal transfers from the province? Are you going to give zero subsidies to the municipalities?

**Hon Al Leach (Minister of Municipal Affairs and Housing):** No. What I suggested to the municipalities was that it would be prudent planning to try to be as self-reliant as you possibly can. Being totally self-reliant would be being able to manage your business without having to rely on subsidies from anyone. I think that's a very prudent way to do business.

**Mr Wildman:** The minister went far further than that in his comments. He's quoted in the Thunder Bay Chronicle-Journal, on the front page, that he told north-western Ontario municipal leaders that "if they don't

restructure their way of governing to deal with funding cuts to come, the province will do it for them, at their expense."

You said that if the municipalities don't restructure as proposed — as required, I guess, under Bill 26 — the government, your ministry, will cut their subsidies to zero. This was a threat, wasn't it, Minister? Aren't you telling the municipal leaders, "You'd better buckle under and do exactly what this government wants or you're not going to get one red cent from the provincial treasury"?

**Hon Mr Leach:** I don't think anything could be further from the truth. What I told the municipalities in Thunder Bay on Friday in a speech was that it would be in their best interests to restructure because funding is going to be reduced.

**Mr Wildman:** To zero you said.

**Hon Mr Leach:** I did not say to zero. However, they were advised that there are two methods under which they can restructure. One is a triple majority, by the municipalities involved agreeing with the greatest number of taxpayers and the upper tier agreeing; if they do that, the decision is theirs, they are masters of their own destiny. If they choose not to do that and one of the municipalities requests it, if it's requested by the municipalities, the province would assign a commission to review it, and whatever decisions the commission found to be in the best interests of the taxpayers of that community would be implemented. I told the members present that if I were a municipal councillor I would prefer the first method.

1450

#### PICKERING NUCLEAR GENERATING STATION

**Mrs Janet Ecker (Durham West):** I have a question for the Minister of Environment and Energy. I rise on a matter of concern to my riding, as it contains the Pickering nuclear generating station. While the community appreciates that Hydro has shut down the plant to repair the faulty valve in the cooling system, questions are growing because the startup of the station has been delayed. Can the minister please inform the House about the status of the repairs and when the station might be expected to restart?

**Hon Brenda Elliott (Minister of Environment and Energy):** I'm pleased to answer the question from my colleague the member for Durham West. I am pleased to report that the valve has been repaired; that is, the backup valve that was discovered during our routine testing. Ontario Hydro has determined that since power needs are less at this time of year, it will use this opportunity to do some additional repairs and improvements at the plant. In talking with the president — and certainly my staff continues to talk to the Atomic Energy Control Board to make sure procedures are being followed properly — we expect that the plant will begin to start up, possibly, at the end of this week.

**Mrs Ecker:** Last summer the AECB had raised some concerns about the plant. Could you please inform me as to the status of that, in terms of the work they have done, and also if you are prepared to come to the community to



meet with them and answer their concerns and questions about what is happening at the station?

**Hon Mrs Elliott:** Yes. Last fall the Atomic Energy Control Board did indicate that it had some concerns about the plant. It was after that report that Ontario Hydro began a project called the quality of work initiative program, and it was during that time, while those repairs and work were ongoing, that the faulty valve was discovered. The Atomic Energy Control Board, at its meeting in March, indicated that it was pleased with the progress to date and that it was encouraged as Ontario Hydro continued to work at that plant.

I would be more than happy to meet with the constituents in my colleague's riding at any time to discuss issues that would be of concern to them with regard to Ontario Hydro or the Pickering plant.

### HEALTH SERVICES

**Mrs Elinor Caplan (Orillia):** My question is to the Minister of Health and it's regarding the Americanization of Ontario health care as a result of his \$1.3-billion cut to Ontario hospitals. I'm going to give him an example and ask him to comment on this because it's a very serious erosion of Ontario medicare.

The Credit Valley Hospital had a chiropody foot care clinic. Because of your cuts to the hospital, the hospital has closed the clinic. People who went to that clinic, who had their foot care covered by Ontario's health plan as part of the hospital's global budget, are now forced to go to a private clinic where they are paying between \$20 and \$25 for a first visit and between \$20 and \$22 for a second visit. These are the very same people who were going to Credit Valley Hospital's foot care clinic and receiving their services under the Ontario health plan. It was and is an insured service. There are hospitals that still have foot care clinics and provide chiropody services, and now what we're seeing is those hospitals are cutting those services and people are being forced to pay. Is this not Americanization of Ontario health care and is this acceptable to you?

**Hon Jim Wilson (Minister of Health):** I must have not caught the whole thing here, unless the honourable member is accusing them of going to an American clinic. Chiropody, for example, is not an insured service. Some of the hospitals that were able to do it were providing it in clinics as part of their global budgets, but it is not an insured service. It is provided in clinics, as are physiotherapy and chiropractic services. About 22 of our 23 health professions actually provide non-insured services in the provinces. Doctors and insured medically necessary services in hospitals are the only ones covered under the Canada Health Act. It's one of the reasons the premiers, the first ministers in Canada, have been asking for a better definition of the Canada Health Act — what's covered and what isn't covered.

**Mrs Caplan:** It was in the 1960s that a former Conservative government introduced chiropody. It was and has been an insured service provided in hospitals and clinics across the province. Patients have not had to pay for that service. What I'm hearing from the minister today is another example of Americanization, delisting and forcing

people to pay for services in private clinics which they received until very recently in the hospitals of this province.

Will you admit that the reason the people in Brampton and other parts of Ontario are now paying for chiropody services in private clinics, services they received just a few months ago in their local hospital, is because of your \$1.3 billion in cuts and your Americanization of Ontario health care?

**Hon Mr Wilson:** I think if the honourable member checks the facts throughout Ontario, a number of these services that are moving out of the hospital are available through home care and homemaking, and \$170 million in new dollars we put into that sector are allowing 80,000 more people in Ontario over the next two years access to some of those services that would have been provided in hospitals.

I will say to the honourable member that one thing I know for sure is that about 34 days ago, we took a \$2.2-billion hit from your federal Liberal cousins in Ottawa. It is a miracle in this province that we're able to fully keep the health care budget at \$17.4 billion. That will be confirmed in the budget tomorrow. If you've got a problem with cuts in certain services in the province, go look in the mirror and talk to your cousins in Ottawa: \$2.2 billion out of our budget.

### PETITIONS

#### NORTH YORK BRANSON HOSPITAL

**Mr Monte Kwinter (Wilson Heights):** I have a petition to the Legislative Assembly of Ontario.

"Whereas the final report of the Metropolitan Toronto District Health Council hospital restructuring committee has recommended that North York Branson Hospital merge with York-Finch hospital; and

"Whereas this recommendation will remove emergency and inpatient services currently provided by North York Branson Hospital, which will seriously jeopardize medical care and the quality of health for the growing population which the hospital serves, many being elderly people who in numerous cases require treatment for life-threatening medical conditions;

"We petition the Legislative Assembly of Ontario to reject the recommendation contained within the final report of the Metropolitan Toronto District Health Council hospital restructuring committee as it pertains to North York Branson Hospital, so that it retains, at minimum, emergency and inpatient services."

I've affixed my signature.

### TAX REDUCTION

**Mr Derwyn Shea (High Park-Swansea):** Picking up on the same theme of petitions coming in from members of various congregations, particularly in the core of Toronto, I present a petition to the Legislative Assembly.

"We, the undersigned, petition the Legislative Assembly of Ontario to proceed as quickly as possible with legislation to reduce our provincial tax rates as promised

during the last provincial election, and we call on all members of the Parliament of Ontario to support the government in its promise to reduce provincial income tax rates in Ontario."

I'm proud to affix my name thereto.

#### FAMILY SUPPORT PLAN

**Mr Rick Bartolucci (Sudbury):** "To the Legislative Assembly of Ontario:

"Whereas we believe that the family support plan is a viable and necessary service provided by the government of Ontario;

"We, the undersigned, hereby petition the Legislative Assembly of Ontario as follows:

"That the proposed centralization of the family support plan will have a negative impact on the children who are supported under this program and should be cancelled."

I have signed my name, as I agree with it.

#### TAX REDUCTION

**Mr Terence H. Young (Halton Centre):** I present a petition from my constituents in Halton Centre.

"We, the undersigned, petition the Legislative Assembly of Ontario to proceed as quickly as possible with legislation to reduce our provincial tax rates as promised during the last provincial election, and we call on all members of the Parliament of Ontario to support the government in its promise to reduce provincial income tax rates in Ontario."

I proudly affix my signature.

#### COLLEGE OF TEACHERS

**Mr Alvin Curling (Scarborough North):** I have a petition to the Ontario Legislature.

"Whereas the public secondary teachers of Ontario have taken a workplace democracy vote in accordance with Bill 7 and have rejected the proposed College of Teachers by a 94.8% vote;

"We, the undersigned, urge the provincial assembly to instruct the government to withdraw Bill 31, the Ontario College of Teachers Act, 1995."

I affix my signature to this.

**Ms Marilyn Churley (Riverdale):** I have a petition from 375 people from the Riverdale area. It reads:

"Whereas the public secondary teachers of Ontario have taken a workplace democracy vote in accordance with Bill 7 and have rejected the proposed College of Teachers by a 94.8% vote;

"We, the undersigned, urge the provincial assembly to instruct the government to withdraw Bill 31, the Ontario College of Teachers Act, 1995."

1500

#### GREATER TORONTO AREA

**Mr Jerry J. Ouellette (Oshawa):** I rise in the House today to join in the initiative of Oshawa Councillor Pauline Beal, who, along with Councillor Dina Dykstra, approached the residents of the city of Oshawa, and 10,244 stated:

"As residents and taxpayers of the city of Oshawa in the region of Durham, we are not in favour of being a part of the greater Toronto area."

I affix my signature.

#### FOREST MANAGEMENT

**Mr Dominic Agostino (Hamilton East):** I have a petition signed by 350 residents of the city of Hamilton which reads:

"To the Legislative Assembly of Ontario:

"Whereas there is less than 1% of old-growth red and white pine remaining in the province of Ontario and the policy for the protection of Ontario old-growth forest that was recommended by the Old Growth Ecosystem Policy Advisory Committee has not been adopted in light of this government's announced cutbacks to the Ministry of Natural Resources in its plan to privatize timber land management;

"We, the undersigned, petition the Legislative Assembly of Ontario as follows:

"To govern and protect Ontario's remaining old-growth forests by implementing the government's campaign promise to establish a province-wide network of protected areas, including the Algoma highlands and Temagami."

#### FOREST FIREFIGHTING

**Mr Floyd Laughren (Nickel Belt):** This is to the Parliament of Ontario.

"Whereas Ontario's forest resources are vital to our economic future; and

"Whereas our forests in remote communities deserve adequate protection from the threat of fire; and

"Whereas in order to protect forests and communities and ensure the safety of fire crews, fire bases must be located strategically for rapid response; and

"Whereas the decision to close the Gogama fire base threatens not only Gogama's economic future but our citizens' property and our lives;

"Therefore we, the undersigned, petition the Parliament of Ontario as follows:

"That the Parliament of Ontario require the Minister of Natural Resources to keep the Gogama fire base open."

This is an eminently sensible request, to which I have attached my signature.

#### RENT REGULATION

**Mr Mario Sergio (Yorkview):** I have another petition from residents of 35 Shoreham Drive. I'll read it to the House.

"Whereas the Rent Control Act protects Ontario's 3.3 million tenants and allows for security and stability in their homes and communities; and

"Whereas lifting rent control in Ontario would leave tenants with uncontrollable rent increases and financial instability; and

"Whereas the Progressive Conservative government is considering changes to the Landlord and Tenant Act favouring easier and faster eviction by landlords,

"We, the undersigned tenants of 35 Shoreham Drive in North York, petition the Legislative Assembly of Ontario to save rent control."



I agree with the contents of this petition and I will affix my signature to it.

### COMMON SENSE REVOLUTION

**Ms Marilyn Churley (Riverdale):** I have a petition to the Legislative Assembly of Ontario which reads:

"Whereas Mike Harris said on May 30, 1995, 'If I don't live up to anything that I have promised to do and committed to do, I will resign'; and

"Whereas Mike Harris promised on May 3, 1995, 'No cuts to health care spending,' but in his November 29 economic statement we see \$1.3 billion, or 18%, in cuts to hospital spending over the next three years and a further \$225-million cut from the health care budget; and

"Whereas Mike Harris has clearly broken his promise to defend health care cuts in funding; and

"Whereas Mike Harris promised in the Common Sense Revolution that, 'This plan will create more than 725,000 new jobs,' but in his November 29 economic statement we see a prediction of only 253,000 jobs created over the next three years and an unemployment rate of 8.6% in two years, which is the same as it is today; and

"Whereas Mike Harris has clearly broken his promise to create significant jobs in the province; and

"Whereas Mike Harris promised in the Common Sense Revolution that, 'Aid for seniors and the disabled will not be cut,' but in his November 29 economic statement Mike Harris is cutting the Ontario drug benefit plan and making seniors and the vulnerable pay for their drugs; and

Whereas Mike Harris has clearly broken his promise to seniors and the disabled;

"We, the undersigned, demand that Mike Harris keep his word and resign immediately."

I will gladly affix my name to this petition.

### TRANSITION HOUSE

**Mr Pat Hoy (Essex-Kent):** "To the Legislative Assembly of Ontario:

"Whereas Transition House in Chatham has provided emergency shelter to troubled or abused youth as well as support, counselling and life skills training since 1990, and operating on a five-year budget of \$865,000 they have counselled over 400 youth and served over 20,000 meals; and

"Whereas the city of Chatham and the county of Kent rely on Transition House to meet the needs of its troubled youth and there is no other facility to serve the needs of the community; and....

"Whereas the principles of discipline, self-help and a regimented environment at Transition House have combined with counselling and support to provide youth with the motivation and self-respect to return to school or find jobs; and

"Whereas it has been shown that massive cuts to health services, school systems and social services has a definite impact on statistics of children and youth in crisis; and

"Whereas the government of Ontario has cut its direct funding to Transition House by almost \$48,000 annually and placed the existence of Transition House in jeopardy;

"Be it therefore resolved that we, the undersigned, urge the government of Ontario to reverse its decision to cut the funding of Transition House in Chatham."

This is signed by a number of residents from Kent county and I affix my signature to it.

### RENT REGULATION

**Mr Gilles Bisson (Cochrane South):** I bring here a petition from a number of residents at Moss Park who are quite concerned about the government's move to scrap rent control. It reads as follows:

"Whereas the Mike Harris Conservative government of Ontario is planning to destroy the present system of rent control; and

"Whereas Mike Harris and the Conservative Party made no mention of scrapping rent control during the election campaign of 1995 or in the Common Sense Revolution document; and

"Whereas a number of Conservative candidates in ridings with very high tenant populations campaigned during the 1995 election on a platform of protecting current rent control systems; and

"Whereas the government has consulted with special-interest groups representing landlords and developers while cutting funding to organizations representing the 3.5 million tenants of this province; and

"Whereas although all renters will suffer, seniors and others on fixed income will suffer particular hardship if rent controls are abolished;

"Therefore we, the undersigned, call upon the Legislature of Ontario to stop the attack on the 3.5 million tenants of this province and keep our present system of rent control."

### WORKERS' COMPENSATION

**Mr Michael Gravelle (Port Arthur):** I have a petition from Eugene Lefrancois, a trustee with the Injured Workers Resource Centre in Thunder Bay. The petition reads:

"We, the undersigned, wish to advise the Ontario Legislature that we are opposed to the government's plan to amend the Workers' Compensation Act. The government has a responsibility to consider and balance the concerns of all workplace parties, not just those of employer representatives, many of whom are not covered under the Workers' Compensation Act.

"Therefore, be it resolved that we, the undersigned, call upon all those who sit in the Legislature to rise up and denounce any plan to amend the current Workers' Compensation Act without the express approval of the Ontario Injured Workers Support Group.

"Be it further resolved that we, the undersigned, call upon the government to cease and desist its current course of action, the reduction of benefits and services, and meet with injured worker representatives across the province. We call upon the government to review those injured worker representatives' suggestions, and if they do not agree with the suggestions of injured workers we expect nothing less than the government explaining why it will not follow the suggestions of injured workers and to prove that their suggestions are not workable."

I am proud to sign my signature to that.

## RENT REGULATION

**Mr Mike Colle (Oakwood):** I have a petition from the riding of Oakwood to the Legislature of Ontario.

"Whereas the Harris government is planning to remove rent controls; and

"Whereas the removal of rent control legislation breaks the campaign promise made by the Conservatives during the election; and

"Whereas a great number of tenants are seniors and people on fixed incomes and many have had their income cut by 22% due to social assistance cuts and cannot afford increases in their rent; and

"Whereas growing unemployment and the scarcity of affordable housing in Metro make the removal of rent control an even greater disaster for tenants and for people who cannot afford to buy homes;

"We, the undersigned, petition the Legislature of Ontario as follows:

"That the government of Ontario keep their pre-election promise and not remove rent controls and continue with the Landlord and Tenant Act and the Rental Housing Protection Act."

I affix my name to this petition.

**Mr Gilles Bisson (Cochrane South):** I have here yet another petition, this time people from Regent Park, in regard to rent control. It reads:

"Whereas security of tenure or the right to remain in our homes is a basic need of all people; and

"Whereas uncontrolled rent increases force many tenants from their homes for both economic and other reasons; and

"As the Minister of Municipal Affairs and Housing and the Premier of Ontario have both expressed publicly their desire to abolish rent control;

"We, the undersigned, petition the Legislative Assembly to protect the security of tenure of Ontario tenants by ensuring that the current rent control system remains in effect."

I affix my name to that petition.

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## COLLEGE OF TEACHERS

**Mr Pat Hoy (Essex-Kent):** I have a petition to the Ontario Legislature.

"Whereas the public secondary teachers of Ontario have taken a workplace democracy vote in accordance with Bill 7 and have rejected the proposed College of Teachers by a 94.8% vote;

"We, the undersigned, urge the provincial assembly to instruct the government to withdraw Bill 31, the Ontario College of Teachers Act, 1995."

It's signed by a number of residents from Kent county, and I affix my signature.

## LIQUOR CONTROL BOARD OF ONTARIO

**Mr James J. Bradley (St Catharines):** This petition reads as follows:

"To the government of Ontario:

"Whereas the government of Ontario appears to be moving towards the privatization of retail liquor and spirits sales in the province; and

"Whereas the LCBO provides a safe, secure and controlled way of retailing alcoholic beverages; and

"Whereas the LCBO provides the best method of restricting the sale of liquor to minors in Ontario; and

"Whereas the LCBO has an excellent program of quality control of the products sold in its stores; and

"Whereas the LCBO provides a wide selection of product to its customers in modern, convenient stores; and

"Whereas the LCBO has moved forward with the times, sensitive to the needs of its customers and its clients; and

"Whereas the LCBO is an important instrument for the promotion and sale of Ontario wine and thereby contributes immensely to the grape-growing and wine production industry;

"Therefore, be it resolved that the government of Ontario abandon its plan to turn the sale of liquor and spirits over to private liquor stores and retain the LCBO for this purpose."

I affix my signature to this petition as I am in agreement with its contents.

## INTRODUCTION OF BILLS

## LIONS FOUNDATION OF CANADA ACT, 1996

Mr Carr moved first reading of the following bill:

Bill Pr58, An Act respecting the Lions Foundation of Canada.

**The Speaker (Hon Allan K. McLean):** Is it the pleasure of the House that the motion carry? Carried.

## ORDERS OF THE DAY

MINISTRY OF NATURAL RESOURCES  
STATUTE LAW AMENDMENT ACT, 1996LOI DE 1996 MODIFIANT DES LOIS  
EN CE QUI CONCERNE

## LE MINISTÈRE DES RICHESSES NATURELLES

Resuming the adjourned debate on the motion for second reading of Bill 36, An Act to amend certain acts administered by the Ministry of Natural Resources / Projet de loi 36, Loi modifiant certaines lois appliquées par le ministère des Richesses naturelles.

**Ms Shelley Martel (Sudbury East):** Mr Speaker, I wonder if the right time can show on the clock for the time I have remaining. I believe it was an hour.

Let me recap for the benefit of members who weren't here and who are here today some of the comments I was making on Thursday. They are as follows.

We have the Minister of Natural Resources who brought forward a bill on Thursday last to make some minor amendments to a number of bills under his jurisdiction as Minister of Natural Resources. He does so at a time when the fact of the matter is, his ministry is being gutted both in terms of the money they have available for management of natural resources and in terms of staff they have available to do the same. I find it passing strange that he would consider as a priority a



bill that deals with some minor changes to several bills when at the same time he has on his hands in essence the gutting of a very important ministry, particularly in our special part of the province.

On Thursday, I talked about some of the changes that were occurring. First of all, with respect to the Crown Forest Sustainability Act, the single most significant change the minister brings forward in this bill is a change that now adds new fees for those people who operate as independent loggers or jobbers in Ontario's forests, something that the minister, when he sat on committee, when he was critic of the Ministry of Natural Resources and was on this side, was very much opposed to. But the only significant, single change he brings forward with respect to that bill is a new set of fees for people who, as a matter of fact, are already operating on the edge in terms of the work they're trying to do in the forests and the work they're trying to do to feed their families.

I contrasted that with the comments he made when he was in opposition about the importance of sustainability, particularly with respect to the ability of Ontario to be able to sell wood products in the international market. The minister, when he sat on this side and was commenting on the then Bill 171, was very fierce in his determination that the bill be strong enough to uphold those principles of sustainability, that we could always be certain Ontario had sound and good forest management practice so that our companies and our businesses could compete in a global market in terms of selling wood products.

I would have thought the minister would have used this opportunity with this bill to reinforce those principles, to put forward some of those things he saw as weaknesses in order to strengthen the act he criticized when he was on this side, but he did not do that. I regret that.

I was going through, on Thursday, some of the things he is doing which directly contradict all of the fine speeches he made when he was on this side with respect to his supporting the principle of sustainability.

We have two problems. First of all, with the gutting of the MNR staff it is very clear to all of us on this side that the staff who remain in the ministry two years from now are not going to be capable of managing the forests. They're not going to be capable of monitoring reforestation, regeneration and cutting practices of the major pulp and paper and forestry companies that have access to timber limits.

Secondly, and far more importantly and more serious for us, is the fact that the direction the minister takes now to give away the timber resources on the crown management units in essence very much puts at risk sustainability of our forests, and we are very concerned about that.

There are three points I want to make in this regard. The first I made Thursday, which is that the turning over or the transferring of the crown management units into the hands of the big pulp and paper and forestry companies really puts the independent loggers of this province at risk, because they will have to go cap in hand to try and get allocations of wood. They may even have to get their licences from the big operators, and I think that

puts them in a very precarious situation. I listed a number of comments from a number of people who agreed with me in that regard.

The second problem we have is that we have this transfer taking place in the province behind closed doors, secret negotiations with the big pulp and paper companies to turn over some 8.2 million hectares of crown land to them. There is no consultation going on with other groups and other interests that really have a right, and frankly have a responsibility as well, to be involved in any change with respect to the future of the crown management units.

We know that native organizations, aboriginal communities are not involved. We know northern Ontario communities are not involved, even though they might be adjacent to the crown management units and might like at some point to have access as well to those timber resources.

We know that a number of environmental groups that have a stake in protecting all of the values of the forests are not involved either. That is why as early as January of this year we called on the minister to stop the negotiations that were going on and to set in place a framework which would allow other users of the forests, other organizations and individuals who have an interest, to participate fully in determining what the future of the crown management units is going to be.

We are now at the beginning of May and we are no further ahead in terms of trying to open up this process and ensure that other Ontarians who have a right to use the forest as well can participate in that process.

One of the senior forestry officers at the Ministry of Natural Resources confirmed that it's hard to involve the public when you're dealing with private business discussions. That is the point. The fact is, other people, other forest users have a right to participate in this process. The timber limits are not the minister's to give away. They belong to all of the people in this province, and all of the people in this province have a right to participate in how those timber resources will be used and how they will be maintained for future use by people in this province.

1520

We also know that in Sioux Lookout, for example, one reporter who is following the issue that we raised here in the House last December tried to get into one of the negotiating sessions that were going on in Sioux Lookout between the MNR and McKenzie Forest Products. Reporter Glynn Robinson was barred from attending one of these negotiating sessions.

District MNR manager Al Mathews explained to the Sioux Lookout Bulletin that there would be no role for the people of Sioux Lookout until after the deal was in place. That is going to be too late, because after the deal is done the other people who want to have a say in this important issue aren't going to be able to have that say. They aren't going to be able to make the important changes to ensure that other people have access to forests and natural resources in this province.

Clearly, to me and to our caucus it is unacceptable that the minister would continue with these negotiations and would bar other members of the public, other groups that have a right to participate, from participating. We think



that's wrong and that in the end the negative effect will be that the sustainability which we are all concerned about, the ability of Ontario to sell its goods abroad, will be put at risk and that we'll lose by that kind of process.

The third fact is that the move to give away crown management units and the timber on them puts the whole principle of sustainability at risk. It puts at risk all the minister's fine words when he was on this side of the House. It puts Ontario's interests and Ontario's credibility at risk because we are not going to be able to prove to the international community, particularly the environmental community, that we do have sound practices here, that we are practising sustainability when it comes to regeneration, reforestation and cutting. I really think the government has to think about the risk it is putting people at who depend, in terms of their livelihood, on the forest industry in this province.

Let me talk about some comments that other people had to make about this. I referenced Robin MacIntyre, who is on the citizens' advisory board in Sault Ste Marie, last Thursday and I want to reference him again: "You hear a lot of words like 'sustainability' being used but it really doesn't mean anything. It's just a trade word. The forest industry hasn't proven that they are able to monitor their own sites and take responsibility for selective cutting."

Probably the most important example of that comes from the work the MNR itself had done via consulting with respect to management of the Lac Seul forest. McKenzie Forest Products right now is the licensee in the Lac Seul forest, and MNR had some work done to determine what the practices were of that company and how they would affect sustainability. That report said: "The large discrepancy between harvest and regeneration activities reflects poor planning and poor implementation of regeneration strategies. The committee interprets this as a pursuit of short-term profits at the expense of long-term sustainability."

That comes directly from work the MNR had done on a management unit in northwestern Ontario. It was a serious and very important look at what the policies were by this particular company in terms of that forest. That company has a failing grade when it comes to the consultant's review of what is happening around reforestation, regeneration and harvesting on that unit.

If that is the case, if we know that is the fact now, while we have the resources that we do at MNR, before we have the 2,100 people laid off, why are we moving to a system where we will hand over even more crown resources to the big pulp and paper companies with no mechanism whatsoever to monitor what they do, control what they do, ensure that what they do is sound so Ontario will still be in a position to sell its products overseas?

That a government would do that in light of the evidence that is before us just boggles the mind. I have to ask this government, and the minister in particular, to step back from the negotiations going on now, give his head a shake and ask himself how we stand to lose in this province if we have repeat consultants' reports on other management units about other unsustainable forestry practices, and how that will put not only the companies

at risk but all the thousands and thousands of people who work in that industry, especially in northern Ontario, at risk as well.

There's one other individual whom I want to quote, and it's interesting that this same individual made his comments after the minister tried to pitch his case several weeks ago at the convention for the Ontario Lumber Manufacturers' Association. I want to quote David Milton, who is with that association. I should point out that the association has 48 corporate members, 800 associate members, and it represents about 70% of the province's sawmill industry. A very significant portion of the sawmill industry is represented by this association.

Mr Milton had this to say about the minister's speech wherein he made the pitch for the turnover of the crown resources, the pitch that the ministry was going to set some new and wonderful standards and we were going to ensure that sustainability would be protected in that way:

"Continued cuts to the Ministry of Natural Resources could eventually cripple the government's ability to manage the province's forests, said the head of the Ontario Lumber Manufacturers' Association.

"Association president David Milton said last week that the Conservative government's plan to speed up the long-standing trend towards transferring more forest management duties to the private sector could go too far. 'They shouldn't give it all away. They should maintain some core competency within the Ministry of Natural Resources.'

"The government could effectively fail to achieve these goals" — the goals were forest management and making sure Ontario forests remain competitive — "if the minister chops too many of the natural resources forestry experts, Milton said later. 'The ministry needs to keep some of those people or its policies will lose touch with reality,' he added."

It's not only people on our side, in this caucus, who are very concerned about the changes in the direction the minister is going in now. People in the industry, people whose livelihood will be affected by decisions being made by this government, are also very concerned, and they are speaking out with respect to that concern.

David Milton heads a very important organization in this province, an organization which employs literally thousands of people, particularly in our special part of the province in northern Ontario, and David Milton has made it clear that the government's direction in terms of laying off 2,100 staff and handing over protection and management of the forest more and more to the private sector is a wrongheaded approach. It could only lead to jeopardizing Ontario's position in the global economy. When someone like that, of his calibre, representing the number of businesses that he does, over 800 associate members in this province — surely that should give cause to the government to step back and listen and review what it's doing, to think again about the consequences of an action it's taking which has to this point in time been behind closed doors and in secret.

In view of the debate we have before us, in view of the bill the minister has put before us, I would have thought that surely he would have recognized the importance of reinforcing the principles of sustainability and



would have done everything he could in this bill to make sure the bill reflected those principles and to make any of those changes he talked about while in opposition to make sure the bill was strengthened and reflected those changes. But he has not, and instead we find ourselves in this House today debating a bill that, as a matter of fact, provides for only minor changes but which, when you look at the cuts along with the government direction, will have very substantial negative impact across the forestry industry in this province.

My second concern around sustainability — actually my third, because I have a concern about how we can sustain our forests when we have the massive cuts we're experiencing, a concern about how we can sustain our forests when we are giving away our timber resources.

But I have a third concern with respect to sustainability; that is, in the context of all the cuts now occurring at the Ministry of Natural Resources, this government will be completely incapable of adhering to the provisions outlined in the class environmental timber assessment, an order which, I point out, has the force of law. A number of those recommendations were released some two years ago, a number of very important changes that need to take place in Ontario to ensure that we continue to have access to markets, to ensure that in fact our forests are sustainable and our resources are sustainable.

1530

While those recommendations have the force of law, in the face of the massive cuts that the minister is intent on implementing in his own ministry, neither this Ministry of Natural Resources nor the Ministry of the Environment and Energy, which is supposed to be the ministry that oversees the work MNR does, will be capable of adhering to the order and the recommendations in it. That again will severely put at risk the sustainability of our forests and the people who work in those forests.

I want to talk a little bit about some of those recommendations and contrast what the ministry was told it should do in the order against the position it now finds itself in with 2,100 people going out the door over the next two years.

I might just begin by referring to the summary at the beginning of the decision, which says as follows: "Simply, our decision speaks to sustaining a healthy forest. We had to be persuaded that the planning process we would approve would be able to manage our forests as a perpetual renewal resource, carefully balancing the need for timber with the protection of equally important assets such as old-growth white and red pine, wildlife, water and recreation."

The board members said as follows in the decision summary: "Our approval is given only if MNR complies with a long and detailed set of conditions, many of which were negotiated by the parties to the hearing. Some of these conditions of approval come into effect immediately. Others impose deadlines for the MNR to complete research and investigations over the nine years our approval is in effect. When our approval lapses in the year 2003, the Minister of Environment and Energy will face the decision to extend or change it. Its temporary term means our approval will be tested in the forest. The successes and failures of the timber management planning

process will be demonstrated. The results of monitoring will prove if MNR is protecting non-timber values. The results of research into biodiversity, conservation and landscape management will show if these are more than good ideas and can actually be implemented and produce the benefits that we expect."

The fact of the matter is, as I go through some of the conditions in the order, it is very clear to me, it is very clear to members on this side, that with the massive cuts of the MNR staff, the MNR will not be in a position to comply, nor will the Ministry of Environment and Energy be in a position to ensure that its sister ministry complies, because they too will not have enough staff to enforce any of the recommendations of the order or to ensure that MNR staff are in a position to respond to the order.

Let me just talk first about the planning process itself, because the order made it clear that there had to be a change around planning, and made it very clear that a large number of MNR staff had to be involved in the planning process that went on around timber management. The board recommended: "Each timber management plan, any amendment to a timber management plan and each contingency plan shall be prepared by a regional professional forester assisted by an interdisciplinary planning team and a local citizens' committee. The planning teams shall include representatives of the various programs of the Ministry of Natural Resources, including persons with expertise in the area of timber management, fish and wildlife biology, land administration, parks management, fire management and enforcement. The district manager may assign additional responsibilities to specific planning teams with regard to concerns or interests not represented."

Clearly, the recommendation is for a large number of MNR staff with very important and very specific expertise to be involved in the planning process. The fact is, most of those people whom I have just named are people whose positions are going to be lost over the next two years at the MNR. You can't take 2,100 people, 2,100 full-time equivalents, out of a ministry that only has 4,700 full-time equivalents and expect that the people who have this particular expertise are going to be able to participate in the planning processes outlined in the order. They can't do it. As much as those staff want to participate, as much as they should be participating, as much as they are supposed to participate by law, because the order has the force of law, the minister's gutting of his own staff effectively ensures that the planning teams as outlined in the order cannot be composed in the way they should be. There just won't be the staff with that expertise to participate in the important planning processes.

The board also made it clear that there had to be advisory committees and local citizens' committees established to work with the MNR planning team in the development of the timber management plans in each of the 90 areas across the province. They said, and I quote: "A number of local citizens representing a range and balance of interests shall be afforded expanded opportunities to participate in the timber management planning process through membership in a local citizens' committee. MNR shall establish at least one local citizens' committee for each district, and where needed, one for



every management unit in the area of undertaking." There are 90 management units represented in the area of undertaking that was under review by the Environmental Assessment Board — 90. So not only are we to be looking at 90 teams that are supposed to be leading the exercise on behalf of MNR; those same MNR staff also have an additional responsibility to bring those citizens' committees together and to support them in terms of providing research and other data.

There is no way, on a five-year rotation — because that is what is expected in each of the management units — that you are ever going to be able to ask the MNR staff who remain after two years to try to put those committees together, to try to support them, to try to help staff them up, to try to provide them with the expertise they need in terms of human resources, financial resources or the data they should have at their disposal to make good and rational decisions about planning in the management units. It will be impossible for the MNR staff to do that.

Over and above the citizens' committee, the timber EA board also made it clear that other people had interests in the forests. They might not be represented on the citizens' committee or the local advisory committees, but other people such as tourist operators, aboriginal people etc would also have an interest or specific concerns with individual timber management plans. Those members of the public also have to be afforded an opportunity to participate in the planning process, and they have to be afforded that opportunity under the order.

Many MNR districts do that now, but the timber EA group made it clear that that was to be part of the recommendations and also to have the force of law. They said: "The timber management planning team" — the MNR staff — "shall make diligent efforts to ensure ongoing public participation throughout the timber management planning process. As affected members of the public are identified, the planning team shall make reasonable efforts to communicate with those persons to solicit their input into the timber management planning process and to facilitate contact between them and the local citizens' committee. In addition, members of the public shall be afforded the opportunity to arrange for meetings with representatives of the planning team and the local citizens' committee at any time during the timber management planning process. Reasonable opportunities to meet planning team members during non-business hours shall be afforded."

Again, a tremendous responsibility for MNR staff, and with the lack of staff there will be at that ministry over the next two years, those staff who remain will not be in any way, shape or form capable of carrying out these important duties — they just won't. Not only will they lose, because I suspect the majority of them, the vast majority of them, do want to comply with the order, but the public's going to lose as well, because the mechanisms that the EA board set out for them to participate will not be able to be maintained. They will have no effective voice, no effective vehicle to participate in what is for the province of Ontario a very important process to ensure that our forests are sustainable.

I talked about human resources, but a whole number of information resources have to be provided to the teams as well. The MNR, for example, has to provide a forest resource inventory for each management unit — there are 90 of those. Fisheries and wildlife inventory information shall be made available for each forest management unit for use in the timber management process. A values map representing all the values outside of timber has to be provided in each management unit. And the list goes on and on. So not only do you have the staff who are there to support the process, but you have other staff in behind supporting the effort because they have to provide the data that people need to make informed decisions on. Again, the staff who are left are just going to be in no position to do that. They will not even be able to manage what's going on in the forest. They will have difficulty dealing with, for example, conservation offices, how to deal with the black bear hunt and other things that I want to talk about, but those staff won't be in a position to provide the information people need to make informed decisions. That will be contrary to all of the recommendations that were outlined in the order.

1540

The panel also made some very specific recommendations around aboriginal people and I want to spend just a moment on those. They had a number of aboriginal groups and first nations that came before them over the course of the time the hearings sat to talk about how they have been for a number of years very specifically shut out of realizing any of the benefits that come from being able to participate either in cutting or in working in a mill. They have been effectively shut out from benefiting from the use of natural resources in our province.

The EA board said the following: "The evidence we received on employment, poverty and access to off-reserve timber convinced us of the historical and present-day exclusion of native communities from sharing in the social and economic benefits enjoyed by non-native communities from timber operations on crown land."

Because of that exclusion and because of the concern that was raised by many aboriginal organizations and communities that came before the board, the panel made the following recommendation:

"During the term of this approval, MNR district managers shall conduct negotiations at the local level with aboriginal peoples whose communities are situated in a management unit, in order to identify and implement ways of achieving a more equal participation by aboriginal peoples in the benefits provided through timber management planning. These negotiations will include but are not limited to the following matters:" provisions around job opportunities, supplying wood to sawmills, facilitating aboriginal third-party licences, providing timber licences to aboriginal people, the development of programs to train aboriginal people, and a number of other conditions that are outlined in the report.

The fact is that the district managers, those who are left — and there won't be a whole lot of them by the time the downsizing occurs at MNR — will be completely incapable of carrying on any kind of consultation with aboriginal communities. That's a real shame, because clearly, after the representations that were made by



aboriginal communities a number of times before it, the EA panel became very convinced that aboriginal people had to have a share in the benefits that we in the non-aboriginal communities take for granted. They made it very clear that MNR had to undertake negotiations, had to make some very serious efforts to ensure that aboriginal people could participate in the same way that other people participate in the benefits from forest resources.

The situation we will find ourselves in is that despite the best efforts of those MNR district managers who remain in the ministry after the cuts occur, they will be incapable as well of doing any solid negotiations, any meaningful or long-term negotiations with aboriginal people to ensure that they also have a role and a place in our economy.

We will continue to see, as we do in many places in northern Ontario, large pulp and paper and forestry companies cutting directly adjacent to first nation communities and no first nation peoples involved in either the cutting or the sawmill or the forestry operations; none, no benefits being accrued to those first nation communities at all. You'll continue to see 85% unemployment in those communities, large social problems in terms of drug and alcohol abuse, many violence problems in those communities, and no opportunity whatsoever for people who want to participate to have the vehicle or the mechanism to do so.

The government will wear that, because they have an opportunity through this order, through the recommendations that were made, to change that, and they will be unable to do that because of the cut in staff that they are carrying out at this important ministry. That's a shame, and I think this government will have a lot to answer for when we look four years down the road and see that the order has not been implemented and that native people have not benefited one iota from gaining access to important timber resources that they have a right to share in as well in this province.

On the enforcement side and in terms of the ability of MNR staff to conduct audits, the ministry will find itself in a position of not being able to comply with the order. The order says very clearly:

"MNR shall monitor the timber management activities of access, harvest, renewal and maintenance for effects, effectiveness and compliance with approved timber management plans and any other conditions imposed on operations by legislation or policy....

"MNR shall undertake long-term scientific studies to assess the effectiveness of provincial guidelines for fish and moose habitat and tourism values....

"MNR shall develop and implement a provincial wildlife population monitoring program within the area of undertaking" — within the 90 management units.

Time and again, with respect to the responsibilities they have around providing information, the responsibilities they have around monitoring, the responsibility they have around audits — which in the case of the order is, "Each forest management agreement in the province shall be audited every five years" — the staff who are left, despite all their best intentions, will not be able to carry out all of the recommendations in the order.

The Ministry of Environment and Energy, which is supposed to ensure that MNR staff comply, will also be unable to even determine what's happening at the MNR, because with the cut in staff that's going on at that ministry, they won't have a clue what's happening in the forests of Ontario and they won't have a clue what the large forestry and pulp and paper companies are doing when it comes to regeneration, reforestation and harvesting practices.

All this government does by those cuts and by that kind of consequence is to put at risk our ability to prove that we are sustainable in terms of our forest management practices and that our products that we sell should be sold in that light as well. That's not going to happen, and we will end up in this province with a serious credibility problem in terms of our position in the international community, be it environmental, be it in the market that we sell into, and we will put at risk as well all of those people in our special part of the province, in northern Ontario in particular, who depend for their livelihood on the sale of forestry products in the province.

The point I want to make in terms of sustainability is that we have a minister who has come forward and made some changes. The most significant change he has made around the Crown Forest Sustainability Act is to impose new fees on independent loggers. When he had an opportunity to reinforce the principles of sustainability, when he had an opportunity to identify the weaknesses he identified in the act when he was over here, when he had that opportunity to make some changes, he went the other way.

We find ourselves in a position today where we will not have the staff who are capable of ensuring sustainability and we have a government that is moving forward to transfer, to give up, to abandon, to give away resources that belong to all of the people of the province and hand them over, through a secret negotiation process, to the large forestry and pulp and paper companies without any other users of the forest having a say in that direction or having a say in what the consequences of that would be.

I think the minister has missed the boat. He had a golden opportunity in terms of actually getting time on the legislative agenda to bring forward a bill, and he blew it, because the direction he's taking, the gutting of the staff he is presiding over makes the bill he brings forward a mockery. He can't even enforce some of the forest management obligations that are outlined in the act or the obligations around other resources in the province — fish and wildlife, for example — he can't even ensure that those are going to be monitored or sustained. He puts at risk the larger principle of sustainability, which surely should be very important to this government, because it sure is important to the people who work in the forestry industry in northern and southern Ontario.

I want to spend just a bit of time talking about two other issues that I think are particularly important. The amendments to the Game and Fish Act, the ones the minister has put forward, we agree with. We agree that there should be a change and that there will be a change to limit the licence for the bear hunt to one licence per year per hunter. We also agree with the change that



forbids the sale of bear parts in Ontario. Those are two important changes.

But I continue to have very significant concerns about the ability of this ministry to manage the bear population in the province, to even know what the bear population is in the province when it doesn't have any staff to make those determinations and when it doesn't have any staff to deal with poaching or illegal sale. Even though we are banning the sale of bear parts in the province, there will be people who will continue. The MNR staff, in some way, shape or form, will be asked to play a role in that illegal trade, and those staff won't be there to deal with those important issues.

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We have some really serious problems, specifically, frankly, at the Ministry of Natural Resources. We do not have good, factual information regarding the bear population in the province of Ontario. We do not have good, factual information regarding the number of bears that are killed annually in the province, and we do not have good, factual information regarding what the allowable hunt should or could be, and how it can be sustained in a number of different parts of the province.

Unfortunately, the bill as presented to us, the amendments that are made, does not come to grips with those important issues, does not come to grips with how we get a handle on dealing with the bear population, what it is, how we can manage it, how we can ensure it's going to be sustained, how we can ensure that the two hunts that take place in the spring and fall will not result in a population that is not sustainable over the long run. There is nothing in the bill that deals with any of those very serious issues.

For the minister to say that we're going to somehow be able to manage what will become the illegal sale of parts — and we're going to have conservation officers involved in that process because I assume they are going to have to be — those staff will be incapable of doing that. Those are the same staff that are going to be laid off in the 2,100 people that are going out the door over the next two years. So we're not even going to be able to manage the bill that's put before us, never mind all of the other important issues that we should be dealing with around the bear population in the province.

Let me give you a couple of examples. We know that the MNR does not have good information about the number of bears that are killed each year because there is no requirement for mandatory reporting of the same. We have numbers around the number of bears that are killed through the hunt, but we don't have any numbers because there's no requirement to figure out how many bears are destroyed, for example, as nuisance bears in provincial parks or in other places, and there were large numbers of bears that were killed last summer in particular because they started coming into communities in their search for food. MNR staff in different areas took a different approach on how to deal with that, but there is no mandatory requirement for making sure we have a reporting of the same.

We also don't have any mandatory requirements around those bears that are killed, for example, as a result of vehicles, either by car or by train, and we need to get

a handle on what the numbers are, how many bears are killed, because we have to get a much clearer sense of what the population is in the province.

We know, for example, that the source of data on bears comes to us because it's voluntary. Those hunters that are involved in the survey do that on a voluntary basis. They complete it on a voluntary basis, and that doesn't give us very good access to very concrete or solid information about what the population is.

We know there is nowhere near enough research now being done to substantiate the basis for the current allowable annual hunt, and we've got a current study that was based on results from a study that was done many years ago in the Great Lakes-St Lawrence region. We have another study that's under way right now in north-eastern Ontario, but no study at all in northwestern Ontario about what can be sustained in terms of a hunt in different regions across the province, and we have got to get a handle on that if we are going to ensure that the bear population is sustainable in the province.

We also know we don't have very good information about the value of the hunt itself, what the economic value is in terms of real dollars, particularly in northern Ontario, because that's where many of the tourist outfitters operate; what that economic value is in the province and what the returns are to us. We also have to get a handle on that. We have to get some very clear sense of what the hunt means, what the revenue is that comes to the province, and nowhere in this bill do we have any provision for that to occur.

The problem you've got is that in the face of the MNR cuts, you're certainly not going to get answers to those problems. You're also not going to be able to monitor the bear population in the way we should, in light of the MNR cuts. We certainly won't be in a position to do the necessary research or the study or the data collection which we have to do to determine what the population is, how we manage it and how we ensure that as we have hunts, both in the spring and the fall, if those continue, that we have in different parts of the province a hunt that is sustainable so we will have a bear population that is sustainable. Nowhere in the changes the minister talks about when he talks about the changes to the Game and Fish Act do we have provisions for any of those very important items.

The third issue I want to deal with also goes back to the ability of the MNR not only to fulfil its forest management obligations, which the minister referenced in his speech, but also to fulfil some very important responsibilities it has in the forest right now in terms of protecting timber, protecting life and protecting private property. I'm speaking about MNR's current responsibility to deal with fire protection in the province.

We on this side are, frankly, appalled at the announcement the minister made in the business plan some two weeks ago. In that business plan he made it clear that of the 19 fire bases in the province, 17 are going to be cut. For the life of me, especially in light of the bad fire season we had last year, I cannot begin to understand why this Minister of Natural Resources would be closing fire centres across this province.



All of us know that the only way to get the fires under control is to have the quickest possible response in the bush. Closing, for example, the station in Gogama and expecting the folks in Timmins to respond will not only really put the people who live near Gogama at risk and put their personal and private property at risk; it will also put at risk the timber and the bush we rely on, that a number of people rely on to sustain their families. It's going to put the forest firefighters at risk as well, because by the time they get to the scene of a fire they're going to have a fire that's raging out of control.

To say that it's adequate, that it's okay, that it's all right that we can expect up to an hour's response time while people travel, for example, from Fort Frances to Lynn Lake, near Atikokan, another base that's going to be shut down, that it's somehow okay that we now have an hour's response time to deal with a forest fire is just ridiculous. It's not okay, it's not all right, it doesn't make any sense, and it certainly is going to put a lot of people and property at risk.

The other thing I found most interesting is that as we reviewed the list we got from MNR, a list of all the MNR facilities in the province and an indication of those that are going remain open and those that are due to close, we noted with interest that of the 19 fire bases that appear in the document the ministry gave us, the document entitled Facilities Operations Impact, the two that remain are in Conservative ridings, one in the Minister of Finance's riding and the other in the riding of the minister himself. I am referring directly to this Facilities Operations Impact which we received from the minister's office the day after the business plans were released — or the summary of the business plans. We found that passing strange, that those are the only two that are going to remain open.

I have to ask the minister if he might provide to this House some indication of what the responses were to fires in the 17 other bases that are going to close and in the two that are left open. I know and my northern colleagues in this House today know that we had a very serious fire situation right across northern Ontario last year. Tremendous resources were used to deal with that situation, tremendous numbers of Ontario firefighters were involved and tremendous numbers of people had to come from other jurisdictions to help deal with that situation.

I would be very interested in seeing the data with respect to the firefighting and the fire protection action that took place in those 17 bases that are closing in comparison to the two that are left open. I think that would tell a very important story. I suspect those in northern Ontario desperately need to be kept open if we're going to deal in any way, shape or form in an adequate way with the kind of fire season we had last year.

The other thing that really astounds me is that we will go ahead and close these fire bases, and I assume that in closing the fire bases we will also lay off some of the staff associated with those fire bases, and at the same time, if we run into a fire season that we had last year, we'll be put into the unfortunate situation we found ourselves in last year of really having to depend on a lot of outside jurisdictions to help us.

The ministry provided me with some of the financial information with respect to the costs we incurred, although some of the bills are still coming in, so they are estimated costs at this point, for the out-of-province services we had in helping us with the 1995 fire season. The estimates include the overtime costs, supplies, accommodation and transportation. They don't include the actual regular hours where people are working, because that is not billed. There is an agreement between all of the provinces and the States whereby the regular hours that people fight are not billed between the parties, but all other costs are.

1600

Do you know that last year, to deal with the fire season we had, the province of Ontario spent more than \$9.4 million on out-of-province services to help us deal with that situation? I'm not saying that shouldn't have been done; of course it should have been. We all appreciate the position people were put in. We all appreciate what happened to a number of communities where people had to be evacuated. But the point I'm making is that this minister has seen fit, in the exercise to cut costs, which is an exercise only to give a tax break to the rich and famous in the province, to look at closing down fire bases and I suspect to look at laying off a number of the staff associated with that.

We spent \$9.4 million last year just calling on out-of-province resources to come and help. What's the situation going to be for us in Ontario when those fire bases, those 17, are closed and the staff associated with the same are laid off? What kind of additional and significant and increased costs are we going to incur when we have to bring people from out of province because we don't have the staff here to deal with those very serious situations?

I have to wonder what is driving some of the decisions around the business plan, only parts of which we saw in this House a couple of weeks ago. Who is making any of these decisions? Who is thinking about the risks we are asking people to put themselves and their property in and the additional costs that we might be asked to pay as a jurisdiction when we have to go looking elsewhere to get both the financial and the human resources — well, the human resources, and certainly the supplies — that we need to deal with a bad fire season?

I would say to the minister that in terms of any kind of protection around the forests, the protection of timber limits that companies or independent loggers have access to, the protection of private property and the protection of people, particularly those who live in our special part of the province, this minister by his cuts really is putting all of those people and all of that property at risk. I really have to wonder, is the tax cut worth it?

We're really going to have to look this season when the fires start, because they will, at what the costs of that will be: what the costs will be in terms of us having to import people from outside to deal with it, what the costs will be in terms of a response time and a loss of private property, and hopefully not a loss of people's lives because of an inadequate response time because bases are closed. We're going to have to see what happens this summer, because I think between this summer and next, with all the cuts that are going through, you're going to



see a dramatic but much more negative situation with respect to this government's and this ministry's ability to deal with this very important matter.

I know a number of my other colleagues want to participate in the debate and many of them can actually talk about very specific examples in their own ridings both with respect to fire bases and with respect to either the district offices or the other MNR facilities that are going to close in their ridings. They can make a much more eloquent case about what that's going to mean in terms of people getting laid off, families having to move and a loss of revenue in those communities.

But I do want to conclude by saying the following. I find it passing strange that this minister would have considered this bill a priority in the face of the gutting that he is involved in in terms of his own ministry, both in terms of staff and in terms of financial resources, to carry out the very important protection of natural resources that his ministry has a responsibility to do. Again, it reminds me of a situation that the Minister of Education and Training found himself in in this House some three weeks ago, when in the face of huge layoffs of teachers across the province, the important issue for this minister and this government was the College of Teachers.

Surely the minister should hang his head in shame that he is part and parcel of a government that is in effect destroying a very important ministry in this province, a ministry that has particular importance in northern Ontario, particular importance because of the large number of people employed in many small communities across northern Ontario and a huge significance in terms of the important responsibilities those staff have in managing forestry resources, in managing and protecting other natural resources that belong to all the people of the province. I just can't believe that in the face of all this he would consider this bill, with its minor changes, to be the most important thing facing the people of the province of Ontario. He should stand up and start to lobby for his ministry, start to lobby for his staff, start to do something to ensure that he is going to be responsible for managing and protecting the natural resources, which belong not just to him and are not his to give away but which belong to all the people in the province, and to ensure we are protecting and managing them for the use of future generations.

**The Deputy Speaker (Mr Bert Johnson):** Questions or comments?

**Mr Gilles Bisson (Cochrane South):** I congratulate my colleague the member for Sudbury East in regard to her presentations of last week and this afternoon on this very important bill. I think she hits the nail on the head in regard to what she says in relationship to this bill and to the overall approach this government is taking to a whole bunch of issues, but mainly to this one to forest management.

We are turning over the control of our forests to the forest companies. We are saying, under this bill and under the direction of this government, that we are going to move away from crown units being managed in the name of the people of this province by MNR and we're going to take those crown forests and move them into the control of larger business enterprises.

I have always believed there has to be a good balance between private sector involvement, be it in forestry or any other business, and at the same time, especially when it comes to resources like our forests, the public, which has to play a large role in that. Who but the government of Ontario is to play that role, because that is the entity that represents the people when it comes to those forests?

Many members in this House may not understand what that means. You might think of that, in your zeal to move crown forests over to companies, as being a good thing for the private sector — quite the contrary. This means that you're going to force out many small operators who rely on crown forests to be able to access timber so that they can go out and sell timber to the forest companies and allow competition to happen within our forest harvesting business. In moving them from crown units like you are doing now and putting them into larger entities, you're going to force out many small contractors in northern Ontario, and I would say in some places in central Ontario, who rely on crown units to get access to wood to make a living and deliver wood to the forest companies of this province. In moving those units over into the larger companies, such as is being done with this bill, you're making this much more of a big business rather than a fair business opportunity for all the people of Ontario, and in the end the large companies will control everything and the small guy yet again will get it on the ear.

**Mr Rob Sampson (Mississauga West):** I'm pleased to rise for just a few minutes to talk to this subject. You might ask, "What does the member for Mississauga West know about the natural resource policies of this province?" As part of my previous life in the finance community I had a chance to deal with a few private corporations that had significant involvement in the forest products sector of this province.

I remind the member who spoke previously that it was actually the NDP government that started a rather interesting process of trying to determine the appropriate utilization for the significant surplus resource in the form of poplar in northern Ontario. They started a process whereby they entertained a series of proposals from the private sector, which to a large degree went this way: "Mr Private Sector, we think we believe that there's a surplus of underutilized poplar in northern Ontario. We don't know where it is. We think we might know where it is but we really don't know where it is, and we don't know how to properly utilize it, so please come to us and help us, the Ministry of Natural Resources and the government of Ontario, to try to understand what we have in northern Ontario, how much is there and how it could be utilized." These are questions they were asking of the private sector. These are questions that the managers of our resources, as the previous government would have us believe, were asking of the private sector. And by the way, they said: "Should you be lucky to win the award to use the fibre, you've got to tell us exactly where it is, because we don't know. We have no idea."

I would put to you that this is not the format of management we would like to see this province follow in that regard.



1610

**Mr Michael A. Brown (Algoma-Manitoulin):** As always, the member for Sudbury East was entertaining. I was interested and I think we all are interested in timber allocation across the province and how that takes place. I think the member for Mississauga West correctly identified the fact that the Crown Forest Sustainability Act came into place under an NDP government and that the privatization through that bill was what the minister is using today.

The question of crown land units: In northern Ontario and even parts of central Ontario, crown land units are the problem in this. They are the problem in that, at least from a government's point of view, the crown forest sustainability licences are basically held by large companies. The smaller ones, the crown management units, as you would know, Mr Speaker, are those that smaller independents use. Everybody in northern Ontario knows that how that wood supply is allocated affects communities, because the community with the sawmill that no longer has the supply of wood is no longer a community with jobs in that sawmill. So it impacts on large groups.

During the hearings on the Crown Forest Sustainability Act, Mr Speaker, you would know that I asked repeatedly at committee that there be an open process for the allocation of wood, and I was refused over and over and over by Mr Wood, who is the member for Cochrane North. So for the NDP to come in here and say, "Privatization is terrible. There should be an open process," give me a break. Give us all a break.

That doesn't take away from the minister's responsibility to fix that problem now. The only thing he's offering is he's offering these private operators an opportunity to pay more money.

**Mr Floyd Laughren (Nickel Belt):** I'm somewhat taken aback by the comments of the member for Algoma-Manitoulin. I could not but wonder where he's been for the last number of years, to be saying those things which are so, to say the least, inaccurate in his comments.

**Interjection:** And mean-spirited.

**Mr Laughren:** If not mean-spirited. That's correct.

What's become abundantly clear with the way in which the present government is dealing with issues in the north is that they really don't have very good outreach and communications in northern Ontario, and that's a problem, when you don't have any members up north. I mean, it's true the Premier is from North Bay, but I don't know how much he's involving himself with Ministry of Natural Resources issues. I suspect not very much. I don't know how he could.

So you've got a real problem that's developing in the way in which the government relates to northern Ontario, and there's an increasing lack of credibility in some of the things the government is doing. That's very unfortunate, and I don't think it's simply crass politics, that the government doesn't care because they've got no members up there. I don't think any government is that stupid. But I do think it means the government has not yet learned what's important in northern Ontario, because the Minister of Natural Resources, to give a clear example of someone who's the best example of not knowing what he's doing, stood up in the House and said, "I'm proud

of the fact that when we announced all those layoffs, only 45% of them were from the north." Well, somebody had to remind him — I think it was my colleague from Sudbury East — that that meant that less than 10% of the population of the province was absorbing 45% of the cuts and that his ministry offered up more cuts than anybody else so that his Tory friends could have their tax cut.

**The Deputy Speaker:** The member for Sudbury East has two minutes.

**Ms Martel:** I'd like to thank those who participated in the responses, and I'm sorry that the member for Mississauga West has left, because I do remember him in his role at Chase Manhattan helping some of those companies finance some of the new mills they wanted to build, and he did a very creditable job when we was there. But I was involved in many, many sets of briefings that went on over the issue of wood supply for the different mills that were proposed across northern Ontario in particular, and I say to the member that he does a disservice to the MNR staff who were involved in that process — and it wasn't only MNR staff; MNDR staff were involved as well in looking at wood supply. He does a disservice to those good folks to suggest in any way, shape or form that they had no idea what was going on and they were intent on giving away whatever was there or having the companies themselves find the wood that was necessary.

The fact of the matter is, in more than one case the companies that were involved in the process wanted much more wood to be allocated to them than MNR was prepared to give. I was involved in a number of discussions where those companies were coming before the government and saying: "Give us more wood or we're out of this process. Give us more wood or we're not going to build the mill in Ontario."

The minister at the time had to go back again and again to the advice he was getting from the MNR staff, support those staff and say to the folks who wanted more and more wood: "You're not going to have it. There's a lot of wood. It can be shared among a number of users. It's going to be shared not only with some of the bigger companies, but first nations people are going to have access to it and other non-native communities are going to have access to it. We're not going to be held to ransom by you wanting more and more in terms of building that mill here."

Those were the kinds of discussions that went on, and the MNDR and MNR staff did an excellent job through that whole process in protecting our natural resources in this province.

**The Deputy Speaker:** Further debate?

**Mr Frank Klees (York-Mackenzie):** I rise today to speak to Bill 36, the Ministry of Natural Resources Statute Law Amendment Act. I'm pleased to do so. I'm compelled, however, to set the record straight regarding this government's commitment to ecological sustainability and the responsible management of Ontario's natural resources.

I find it interesting to listen this afternoon to the member for Sudbury East, who had a great deal to say about the effect the cost-saving measures of this government are going to have on natural resources and the



stewardship of natural resources in this province. It's not surprising that the member feels spending a lot of money and having a large staff is the solution to all the problems in this province. It's also quite obvious that isn't the answer, because if spending money were the solution, then we wouldn't have the kind of problems in this province that we have today.

Clearly the people spoke on June 8. They want a government that is responsible, that won't be spending as much money, that won't be spending money we don't have but that will apply some business principles to not only natural resource management but also the fiscal management of our province.

I'm glad the member for Algoma-Manitoulin is here today because I'd like to have the opportunity to set the record straight on a number of things he said during debate last week on this act. He accused the government of not caring about the natural resources in this province. He would like you to believe a Conservative government is a government that doesn't care about conservation, that doesn't care about the environment, doesn't care about the protection of the natural heritage of this province.

Let me set the record straight. The fact of the matter is that it was the last Conservative government in this province that added some 130 — and let me repeat that: 130 — parks to Ontario's parks system. This was one of the most significant steps in the history of the provincial parks system and positioned the Ontario Ministry of Natural Resources as a world leader in conservation.

Since that time successive governments, and I refer to the previous Liberal government and the previous NDP government — it was successive governments since then that accounted for the decline of Ontario in that circumstance. Those two consecutive governments, Liberal and New Democrat, who today are telling us what we should be doing were responsible for the devolution of the rating of Ontario by the World Wildlife Fund to a rating of D+ under the previous NDP government, not what I would consider an admirable track record on the issue of conservation.

1620

Ontario's decline from a world leader did not happen overnight. The previous governments left us with a lot of catching up to do, not only catching up to do in the area of natural resource management, but catching up to do in the area of fiscal management in this province. Tomorrow, when you hear the budget, you should be encouraged that not only will sustainability of the economy of this province be addressed, but sustainability as well of conservation in this province. The people of this province will recognize that we have our priorities straight.

In fact, on April 30, the Ontario government and the Nature Conservancy of Canada announced Ontario Parks Legacy 2000, a new and innovative partnership using public and private funds to help complete a system of parks and other protected areas in Ontario by the year 2000.

While I'm on this topic, I found it shocking that my colleague from Algoma-Manitoulin suggested that the Nature Conservancy would use this partnership to, and I quote, "recycle donated dollars" to purchase previously donated lands from conservation authorities. I'm particu-

larly disappointed at such a cynical view of what I believe will be a very important partnership in the province of Ontario in the interests of natural resource management. The Nature Conservancy of Canada is a highly respected national organization that is dedicated to securing and protecting significant natural areas in Canada, and I'm appalled that the member would suggest that this partnership would be misused in any way. There will be time for the honourable member to withdraw his remarks later on in this debate.

On April 1, the Minister of Natural Resources took another significant step in the history of the provincial parks system when he announced the creation of Ontario Parks. Ontario Parks is the first entrepreneurial system of its kind in the province. This announcement, in conjunction with the amendments contained in Bill 36, will allow the parks system to retain and reinvest park revenue. This reinvestment is something that has never before been done in this province, to actually allocate and dedicate funds from the parks system back into the parks system in the province. It's designed to meet the goals and objectives of the existing parks system while managing parks much more effectively than in the past.

The proposed amendments to the Provincial Parks Act will allow the government to operate the provincial parks in a much more businesslike manner. The ability to retain and reinvest park revenue will support the integrity of Ontario's parks system and ensure the protection of our natural and cultural heritage. These changes will also ensure the provision of quality programs and services to the people in this province over the next number of years.

One of the amendments to the Provincial Parks Act provides for the delegation of authority for park management and broadens the ability of the ministry and of the government to work with private partners. Again, much has been said about the fact that this is a sellout on the part of government to the private sector. We suggest to you that the people of this province will realize many more benefits as a result of the partnership with the private sector to bring efficient management to the parks system in this province.

Contrary to what the members opposite have said, this is not an attempt to turn the parks into Disneyland, nor is it intended to compete with private campgrounds such as KOA. As my honourable colleague the member for Algoma-Manitoulin said in his comments, it is true that the provincial parks are not in any way comparable to the KOAs, nor are they intended to be, nor will they ever be. They are unique; they will remain unique and I would suggest that no matter who manages it, whether those parks are managed by government, by the private sector, they will continue to remain public parks and they will remain a natural heritage of our province.

There are four objectives of the provincial parks program: first, the protection of significant elements of our natural and cultural landscape; second, the opportunity for exploration and appreciation of our natural and cultural heritage; third, the provision of recreational opportunities, ranging from daytime as well as wilderness experiences; and fourth, the encouragement of economic benefits through tourism.



With regard to the issue of broadening the ability of government to work with the private sector, Ontario already, as the honourable member may realize, operates five provincial parks in cooperation with the private sector. These are Sioux Narrows, MacLeod, Ferris, Carson Lake and Selkirk. We're currently negotiating with potential partners for other provincial parks, and we believe the same kind of efficient management that now exists in those five parks in the province will be extended to additional parks throughout the province.

Make no mistake: A provincial park remains a provincial park whether it is managed by the province or whether it's managed by a local partner. In both cases, the objectives and the standards of the provincial park system must and will be maintained.

I'd like to now turn my attention to the amendments to the Crown Forest Sustainability Act. Before I speak to the amendments, however, I'd like to take a moment to address some of the accusations that have been made by the member for Sudbury East. I'm sorry she's not here.

The Ministry of Natural Resources has been wrongly accused —

*Interjection.*

**Mr Klees:** The honourable member takes exception to the fact that I'm referring to the fact that the honourable member is not here. I'll be happy to withdraw that comment. I thought she would be very interested in knowing what the government believes and why we're taking the initiatives that we are.

The Minister of Natural Resources has been wrongly accused of negotiating sustainable forestry licences in secret. As the member for Sudbury East knows all too well — after all, it was her government that drafted Bill 171 and she should surely be aware of the details of that bill — all potential candidates for a sustainable forest licence are required to prepare a draft business proposal. Throughout the development of the business plan, potential licensees are required to consult with all stakeholders and address their concerns. The process requires —

**Mr Laughren:** Point of order. I apologize for interrupting the member, but I was just wondering if the member could tell us whether he knows if the minister's going to be here for this debate on his bill this afternoon.

**The Deputy Speaker:** That is not a point of order.

**Mr Bisson:** On a further point of order, Mr Speaker: It clearly states in the rules of the House that you're not supposed to mention a member's absence, and I understand that, but in the speech —

**The Deputy Speaker:** There's nothing out of order.

**Mr Bisson:** You have to hear the point of order, Mr Speaker.

**The Deputy Speaker:** I'll ask the member to try to be careful and obey all the rules and I would ask him to continue.

**Mr Klees:** The process, as I was saying, requires that all affected parties are aware of the process —

**Mr Bisson:** Point of order, Mr Speaker.

**The Deputy Speaker:** You have another point of order?

**Mr Bisson:** Mr Speaker, the standing orders are very clear. It says that a member is not to mention the absence of another member in the House. Listen to the point of

order, Mr Speaker. The member who has the floor, as he proceeded with his speech, mentioned that the member for Sudbury East wasn't here. You didn't rule him out of order; you ruled the member for Nickel Belt out of order, and I'd ask him to withdraw his comment.

1630

**The Deputy Speaker:** I ask the member to be careful. This matter was not brought up at the time it was addressed. I ask all members to obey the rules of the House. I'm sure you will want to hear the rest of the debate. I would like to recognize the member for York-Mackenzie.

**Mr Klees:** As a matter of fact, I believe the record will show that I voluntarily offered to withdraw my remarks, which I did. I will certainly be much more careful the next time on that particular point.

The process requires that all affected parties are aware of the process, and the draft sustainable forest licence is subject to a formal 30-day review process.

The member for Sudbury East, in her remarks, made reference to the fact that local citizens' committees have to be brought into the process. She was concerned that there wouldn't be consultation with local citizens' committees. The fact of the matter is, and I think it's important for the record, those local citizens' committee are in place and will be in place with every application.

Furthermore, sustainable forest licence proponents are also required to honour all existing wood commitments and provide a meaningful role for existing local forestry businesses and communities. It's an open process now, it has been an open process in the past and it will continue to be an open process in the future. The member for Sudbury East knows it well.

With regard to what the member opposite has referred to as the giveaway of crown land, this is not true and the member knows it is not true. She knows very well that her statement in this regard is unfounded. The granting of a sustainable forest licence does not convey a transfer in the ownership of crown lands or forests.

Section 36 of the act provides that a forest resources licence, which includes a sustainable forest licence, does not confer or transfer any interest or right of exclusive possession of land to the licensee. In short, crown forest and lands remain firmly under the control of the crown, as represented by the Ministry of Natural Resources.

I remind the member once again that all major licensees are subject to the Crown Forest Sustainability Act and the conditions of the licence are set by the minister. The ministry retains all plan approvals, sets all licence terms and conditions, sets regulations which are enforced, and monitors operations for compliance.

There is a legally binding forest management planning process in place which must be followed, and we will ensure it is followed. Independent audits will be conducted to standards set by the Ministry of Natural Resources. In short, we will set the standards and enforce the law. We will approve the plans and penalize substandard performance. In no way will those standards be compromised by this government.

Finally, I'd like to address the most outrageous accusation made by the member for Sudbury East yet, and that is the accusation that the Minister of Natural Resources



does not have the legal authority to grant a sustainable forest licence. I would like to point out that this is a very serious charge. I can only assume that the member is ill informed of the facts or she would not have made that statement in this House. It would appear that the member for Sudbury East has a lapse of memory. As the member knows full well, it was her previous government that drafted the bill and granted the Minister of Natural Resources this authority.

For the record and for the benefit of the member for Sudbury East and her colleagues, let me explain: Subsection 26(1) of the Crown Forest Sustainability Act gives the minister full authority to "grant a sustainable forest licence to harvest forest resources in a management unit." There are no restrictions on his powers under the act to grant a sustainable forest licence based on the nature of the management unit. The Crown Forest Sustainability Act makes no distinction between management units, and the ministry has clear legal authority under the act to grant sustainable forest licences on all units, including former crown management units.

Now that the record has been corrected, I'd like to turn my attention to the amendments to the Crown Forest Sustainability Act. Subsection 1(1) of Bill 36 allows the minister to enter into agreements with the forest industry so that MNR can perform certain management activities that are the obligation of the licensee but that the licensee chooses not to perform because they do not have either the ability or the capacity to perform those functions.

The member for Sudbury East suggests this is somehow an imposition on the industry. In fact, she condemns that amendment, suggesting it is simply an imposition of fees. The fact of the matter is that this is a welcome amendment to this act because it allows the smaller players to become involved in this industry in a way that previously they had been precluding from doing. In fact, it was the previous government that effectively closed out much of the activity in this industry to the smaller players. This amendment will level the playing field and help smaller forest companies meet the requirements necessary to obtain a sustainable forest licence, which previously they wouldn't have been able to do.

The second amendment to the Crown Forest Sustainability Act will allow the minister to establish the amounts and timing of forest renewal charges and forestry future charges without the need to make regulations. Currently, the Lieutenant Governor in Council makes regulations relating to forest renewal and future charges. In keeping with this government's commitment to reduce red tape and unnecessary regulatory burdens, we believe this is a step in the right direction. We believe this will ensure that we will be able to make decisions and move ahead in the area of being proactive in this industry and allowing the industry to get on with doing business.

The final amendment to the Crown Forest Sustainability Act will make it an offence to obstruct inspections and searches carried out under the terms of the act. Under the act, there are provisions authorizing employees or agents of the ministry to carry out inspections to ensure that a licence holder is in compliance with ministry standards. Without this provision, those who are unwill-

ing to comply with the act can refuse an officer access to mill yards or areas where records are kept, and we believe that is unacceptable.

I hope I've been able to set the record straight with regard to some of the issues that have been, I believe, misrepresented by some of the previous speakers. I also believe it sets the record straight with regard to this government's commitment to the preservation of this province's natural heritage as well as to the sustainable management of Ontario's natural resources. The amendments to the Crown Forest Sustainability Act and to the Provincial Parks Act are proof positive of our government's dedication to the effective management of our natural resources and the protection of our natural heritage for present and future generations.

Just before I close, I'd like to make one final comment, and that is with regard to the member for Sudbury East's reference to the closing of some firefighting facilities in the province. I'd like to clarify that in terms of the reference once again to the closing of 17 of these locations, it's not 17 of 19 locations but in fact 17 of 45 locations. For the record, I would like to note that the following facilities, the fire attack bases that are operational, will continue to be operational: Sudbury, Parry Sound, Haliburton, Cochrane, Bancroft, Sault Ste Marie, Wawa, Chapleau, Timmins, Sioux Lookout, Geraldton, Dryden, Cochrane, Timmins, Kirkland Lake, Moosonee, Geraldton, Nipigon, Dryden, Fort Frances, Kenora, Chapleau, North Bay, Pembroke, Murphy's Point and Bon Echo.

With the many changes that have taken place in firefighting, the people of northern Ontario will be assured of effective firefighting under the management of this ministry, under the management of this government, and I would ask that members keep in mind that the status quo is not acceptable and is not what this government will deliver. The business plans that will be tabled with the budget for this ministry will assure the people in northern Ontario and in this province that they will have effective natural resource management from this government today and in the years to come.

1640

**The Acting Speaker (Mr Gilles E. Morin):** Questions or comments?

**Mr Michael Brown:** A lot of nice words from the parliamentary assistant — unfortunately, the information conveyed is a little out of sync with the steps that are being taken. He talked about parks and about endangered spaces. I would just take him to the World Wildlife Fund's press announcement of last week where they gave his government, the government of Ontario, an F. It clearly says that in 1989 — I wonder who was the government in 1989 — Ontario began the campaign as a national leader. In 1989 we were the leader in Canada. I won't comment on the fact that we were a D+ in the last year of the NDP government, but going to an F from a D+ is not a step up.

I suggest to the member that we will look forward to the World Wildlife Fund's report next year; we will want to look at your report card. Is an F+ seen to be satisfactory over there? I don't expect it should be. We've seen a 70% cut to the conservation authorities, which manage



considerable property, parkland, in southern areas and even in some northern areas of this province and have done an admirable job over the years. I am suspicious that they will not be able, out of their municipal taxpayers' dollars, to maintain those parks the way they always had.

We had a former minister — yes, he was an NDP minister — who told me in answer to questions last year that parks weren't closed; they just were not open. I think we're getting the same kind of response from the parliamentary assistant over there about parks, that they're not closed; they're just not open.

**The Acting Speaker:** The member for Cochrane North.

**Mr Chris Stockwell (Etobicoke West):** Cochrane South.

**Mr Gilles Bisson:** It might soon be Cochrane North and Cochrane South. I don't know what we'll call it then, under the redistribution of boundaries. Just Cochrane probably would be good enough.

I met recently, over the last couple of weeks, with forest companies around the Timmins area in regard to the issue of approving five-year plans and one-year plans. As the member knows, just for people watching, as a company moves forward with a cut, it does so on a plan of five years. That five-year plan is normally approved by MNR staff, and once approved the forest company can go ahead and start work on its five-year plan. Every year subsequent to that within the five-year plan it needs to be approved by the MNR to make sure it's in keeping with what was put in place under the five-year plan. The member stood in the House and said that the MNR is going to be playing a large role in making sure that happens, that there's compliance to the plan and that it will continue.

The forest industry is telling me the opposite, that ministry officials and other people within the industry are being told that the government's plan is at the very least to remove the requirement that every yearly plan of cut be approved by the MNR. In other words, you will get your five-year plan approved, and at that point nothing will happen until after the audit or if by chance an MNR staff happens to walk into the forest and find something wrong. I say to the member opposite, I think you'd better go back and talk to your people at the ministry because we're being told quite the opposite out there when it comes to what the plans of the government are.

You're basically saying to the forest companies, "We're going to make you self-compliant, we're going to make you not necessarily self-regulatory, but remove a lot of the staff that was in place at MNR to make sure the job was being well done in the forest." The only mechanism we're going to have as the public, after all of this is done and you've done your changes, is the final audit at the end of five years, and by then it will be too late. The forest will be gone.

**Mr Stockwell:** I was listening with some interest to the comments and remarks that were made by the speaker and the comments that were brought forward by the members of the opposition. It seems abundantly clear to me, and I suppose this government, that there have to be some efficiencies made within ministries that we have on

the provincial level. Efficiencies necessarily mean we're going to have to find ways to spend less money and provide services for the people of the province.

I know the NDP opposite are loath to admit it, but the public out there found that they were spending excessively. They found that the deficits they were running up and the taxes they were filing under were grotesquely overstated, and the financing of the books was very difficult to follow because they had so much jiggery-pokery when it came to the accounting methods they used to actually determine what was in fact a deficit and what was a debt. They moved off book issues — that was debated regularly. They moved debt off book just so they didn't have to show it as a deficit.

Then they went ahead and spent \$2 billion, pre-election, that they didn't have. Then they show up with all the sanctity and piousness that only a socialist can muster, after creating this crisis, and condemn the very government that is left with this mess to clean up. Every time we come along to find efficiencies, to create savings, they say, "Oh, you can't do that for heaven's sake, because, my gosh, you're going to have to do things that are different than the status quo." Everyone knows the status quo wasn't working and it was costing us huge sums of money: moving off book items, jiggery-pokery in accounting, wouldn't admit to spending amounts that they had spent, \$2 billion that they didn't have, \$100 million in the development fund gone, and they stand in their place today and condemn a government elected having to clean up their mess. We're not happy at having to clean up your mess, but we have to clean it up. If you hadn't made it, we wouldn't be here.

**Mr James J. Bradley (St Catharines):** The member for Etobicoke West continues to ingratiate himself to the Premier and senior members of cabinet here this afternoon, and I know they'll be taking note of his remarks.

On the speech that was made, I have always said in this House that it's one thing to purvey the propaganda; it's another to believe it. I hope the member doesn't believe the government propaganda that he read to the House. He did his job by reading it, and I give him his credit for that, but I hope he doesn't believe what the government is saying in this regard.

I think it's a national scandal that this government is closing up to 60 parks in this province. One of the things the three governments over the years have been able to establish has been the closing of parks in this province, and even people who aren't close to those parks, who reside in major metropolitan areas, appreciate the fact that they are there to provide necessary recreation at the appropriate time.

You cannot take credit for all the cuts and then turn around and take credit for the services provided. If you wish to take credit for the cuts, that's one thing, and the government can say to its people who believe in that that the cuts are necessary and they want to severely restrict the Ministry of Natural Resources and what it can do. If you want to take credit for it, that's fine, but you can't contend that the Ministry of Natural Resources is going to be able to carry out its responsibilities in an appropriate fashion.



I know that you may please some of the companies by saying, "You can be self-regulatory" — somebody is sending a note to you now to tell you what to say to me after this — but I'll tell you, an objective regulator is much better than one with a vested interest. The only vested interest should be the interest of the citizens of the province at large, and my fear is, with what's happening in this bill and in the ministry, that we're moving away from a position that has been established by all three governments.

**The Acting Speaker:** The time has expired. The member for York-Mackenzie, you have two minutes.

**Mr Klees:** As usual, I want to thank my colleague from Etobicoke West for his eloquence and his support. I couldn't have said it any better myself. In fact, one of these days I might be able to say it as well as he.

For the record, I do have to just clarify, while we're on the subject of parks, that it was misrepresented that there were some 60 parks closing. That is not the fact. The fact of the matter is that there are 12 that will be closed.

1650

With regard to the comment that was made that the Ministry of Natural Resources will not be able to deliver its services to the people in this province, I want to assure this House, I want to assure the people in this province that that is not the case, that we will deliver the core services that have been identified by this government. They will be delivered with efficiency and they will contribute to the sustainability of natural resource management in this province.

In closing, I'd like to read the words that were spoken by the Minister of Natural Resources this past week when we announced the partnership with the Nature Conservancy of Canada:

"With this partnership the government is able to move forward to secure significant natural areas for the protection and enjoyment of future generations. This land acquisition will also assist us in research and education efforts to develop a better understanding of Ontario's natural environment."

On behalf of the people of Ontario, we will deliver sustainable natural resource management in this province.

**The Acting Speaker:** Are there any other members who wish to participate in this debate?

**Mr David Ramsay (Timiskaming):** The first thing I would like to do is take on the previous speaker from York-Mackenzie and speak to him about the parks issue, because the parks issue is a big concern of mine, especially as a person who resides in northern Ontario and had three provincial parks in my riding; it's now down to one. I'd like to clarify that.

Technically, the member is correct when he says that at the moment they're going to close 12 parks, but what the member for St Catharines was saying, his comment, comes directly out of Management Board's proclamation of a couple of weeks ago that talks about the new business plan for the Ministry of Natural Resources. It talks about focusing on the core business. It says: "Including the provincial parks, the ministry operates 251 facilities. To rationalize this infrastructure, 60 of these will either be consolidated, co-located, closed or partnered."

I'd like to explain a little bit what that means, because while a list was attached of an initial 12 parks that were to be closed, many of my fellow members in the subsequent weeks started to receive calls from the managers, both from the northwest and northeast sections of northern Ontario, who manage our provincial park system, to say: "Oh, by the way, Mr Ramsay, we just want to let you know that besides the initial list of 12 parks that will be closed this year, we actually don't have the money to open a couple of other parks in your riding." So the list grew from the initial 12 to maybe another 15 this year.

The ministry is attempting to talk to either tourist operating associations or municipalities to see if maybe they could work some partnerships with them in regard to opening these parks. Right away 12 are gone, but my bet is, because we're now well into May of this year, that many of the parks in northern Ontario that traditionally open on the May 21 weekend or in June are going to be unable to reopen this year. That is a shame. For the member to say there are going to be 12 closed — anywhere up to 60 of these parks that have been targeted by the ministry are going to be in some great difficulty.

I'll give you an example of one of the parks in the south end of my riding around the village of Marten River. The Marten River Provincial Park is a wonderful park that was established many years ago. People travelling along Highway 11, which, as you know, is a continuation of Yonge Street — and especially this year, with the 200th anniversary of Yonge Street, there are going to be a lot of folks from southern Ontario who would like to travel the whole of Yonge Street. I don't know how many people can say they've travelled the whole of Yonge Street. To do that you'd have to go I don't know how many hundreds of kilometres, but you'd be taking a drive that goes farther than from Toronto to Miami in order to travel all of Yonge Street, which would take you all the way up to the Manitoba border. That's quite a trek. I would imagine this year, because of that celebration, we're going to have a lot of traffic going north on Yonge Street, Highway 11, all the way through the Nipissing district and the Timiskaming district, through the Cochrane district, through Nipigon and Thunder Bay, and through the Rainy River district. To see that these parks are going to be closed — or to try to co-partner them with a few weeks to go before their opening — is drawing the line too close.

Getting back to Marten River park in the south end of Timiskaming, there are maybe about 10 or 12 tourist operations in Marten River. Basically, it's a gas station with an LCBO agency store, a couple of restaurants and the provincial park. That's it. There are a few residents there and a few of those people who live at their tourist operations. To come to these people on the eve of their busy season, the tourist season of the summer, and say, "By the way, golly, we don't seem to have the funds to open this park" — a park that, by the way, acts as a magnet for the area, where these tourist operators derive some spinoff — what's going to happen to this park and to these tourist operators if we're not running that facility this year? To be doing this a month before the opening is downright irresponsible.



I would say to the minister — and I wish he was here today — that he better take a second look at his parks policy, to understand not only that we have parks to preserve the very special and fragile environment of northern Ontario, but that they act as a very main and basic economic development instrument in northern Ontario. As my colleague the member for Algoma-Manitoulin and all my other northern colleagues in this House understand and appreciate, whether we like it or not, natural resources remain as the foundation of economic development in northern Ontario. It's very, very important that we preserve and manage on a sustainable basis our natural resources. Yes, like southern Ontario, we want to see our economy move into the information age, we want to see our economy move into the high-tech, modern industries of the future, but we know that the bedrock of our economic development is natural resources and that our economy will be based on that bedrock. We need the stewardship of the Ministry of Natural Resources to be ever present in northern Ontario to ensure that sustainability.

We are very concerned — all my northern colleagues — about the parks policy, the potential that 60 provincial parks, many of them in northern Ontario, could be at an end. We think it's irresponsible and it's time the minister took a second look at that.

Looking at the MNR policy and what they're doing in their reorganization in northern Ontario, I think southerners would be very surprised to learn that the Ministry of Natural Resources today is closing firefighting bases. We rely on these fire bases throughout northeastern and northwestern Ontario to suppress mainly a lot of the small grass fires and small forest fires in their infancy. We require these ground crews, in a rapid attack method, to get in there very quickly, before you can get the air bases up and running and get the water bombers in, before a fire becomes a certain size. We require those strategically placed fire bases to act in a very fast and efficient manner, to start on the ground to put out these fires before they become the large, horrendous forest fires that people see, unfortunately, most fire seasons in the news throughout the province. To be starting to close those fire bases is absolutely irresponsible.

We look at the numbers of people involved. Over 2,000 members of the Ministry of Natural Resources are going to be laid off. I must tell you the value of those people; I'll give you a personal anecdote of what happened at my farm last year. Actually it happened during election time. I was able to get a Sunday afternoon off and I was burning some grass at the farm — this was on the ground. The wind came up and it got out of control. I'll tell you, there was an MNR crew there just within a few miles away. They saw the smoke coming up and they came to my rescue and saved my barn. If those firefighters had not been on the road, been in the area — because a phone call would not have made it in time for those people to come. It's that sort of service that saves people's residences, that saves people's businesses, that saves our forest resource, that is the lifeblood of northern Ontario. It's an extremely important service for northern Ontarians. I appreciate the fiscal restraints on this government and the desire to reduce the fiscal deficit, but I'd like to talk a little bit about what I call the social deficit.

1700

With all the cuts this government is doing, we are now trading off a fiscal deficit for a social deficit. With all these cuts, we are going to see people being hurt, and we're starting to see that today. What we're talking about today in Bill 36 is the possibility of our natural resources being eroded and the stewardship of those resources being eroded. That will cause two things: an economic development deficit in northern Ontario, but it will start to cause a social deficit also.

We've seen with all the cuts, whether it be in health care, in education, in policing, an increase of what I call our social deficit. We are shortchanging our children in our schools. That is developing a deficit that will be incalculable for years to come. We are lowering the standards to graduate our children out of secondary school as they want to enter some sort of post-secondary education. It is very important that while we are responsible on the fiscal side of governing, we also make sure that the social health of this province is preserved. It is very, very important that we do that.

When we look at health care services, it's the same sort of thing, that while we're starting to close down beds in hospitals and close other services — and yes, maybe that makes the fiscal deficit look a little better — we are increasing that social deficit by making it harder for people to maintain and to access those services. In my area of northeastern Ontario we're seeing doctors leave, not just this province but the jurisdiction of Ontario, most of them going to the United States. That is a social deficit that is going to have ramifications for years to come throughout northeastern Ontario, where I live.

The Ministry of Natural Resources is the prime government service in northern Ontario. It is the prime presence of the Ontario government throughout all of northern Ontario. Northern Ontario represents 90% of the land mass of this province and we look to the Ministry of Natural Resources as the steward of those resources. Of that 90% of the land base, over 90% of that is crown land. It's not owned by individuals, it is not patented land, unlike in southern Ontario. It is owned by all of us here, the people of Ontario. We look to the government of Ontario to be the steward of those natural resources, of that land base.

With the announcement about three weeks ago from this government, we see in the north a walking away from that responsibility by the Conservative government of the day. A Conservative government of years ago used to beef up the Ministry of Natural Resources and developed the Ministry of Northern Development and Mines, because those past governments understood how important the resources and the people of northern Ontario are.

By the way, I must say to the member that this isn't any sort of charity that I am looking for, because the resources of northern Ontario have generated a world of wealth and in fact contributed to the economic development, since the beginning of this century, of this province as whole; the wealth from towns and cities such as Sudbury, where all the industrial metals, especially nickel, have been developed. The gold mining camps of South Porcupine, Timmins and Kirkland Lake generated a tremendous amount of wealth for this province. Silver,



also in my riding at Cobalt, generated a lot of wealth in the north. Now it would appear to northerners that the Ministry of Natural Resources, a ministry that had been seen by them as a partner and a friend to the north, is abandoning that responsibility, is walking away from that responsibility of stewardship in northern Ontario.

We have fish hatcheries and we have tree nurseries that the Ministry of Natural Resources established in the north not only to supplement our natural resources, to help renew and bring them on a sustainable basis, but also strongly to contribute to the economic lives of the men, women and children who live in northern Ontario.

We find this walking away, this retreat from northern Ontario absolutely irresponsible. We look to the ministry to come back to northern Ontario, to not abandon all those people who are going to be laid off, to take their responsibility as stewards of the resource importantly, to make it as a prime directive of this ministry that we are the stewards of northern Ontario, that our prime directive is to take care of those resources, to work with the people of northern Ontario to make sure that those resources are sustainable and that they can sustain a profitable existence for the men and women who work in northern Ontario.

In forest management, what we see is an abdication of that responsibility. We basically see a privatization of that responsibility, and while we believe that it's the role of the private sector to develop the jobs and to develop the profits of northern Ontario to be shared for the wealth of all Ontarians, we do see it as a public utility for the government of Ontario to manage those resources, to control the disposition of those resources and to manage them.

We should not walk away from that. It's the same as Ontario Hydro. The wealth and resources of Ontario Hydro are in the public domain, and while I believe we should be looking for the best possible generators of power in this province and if we've got private sector generators we should be availing ourselves of those services, it is paramount that the public utility keep as a public utility the transmission and distribution of power in this province.

It's the same with natural resources. They're owned by the public and they should be controlled by the people for the benefit of the people.

We see in these announcements and in Bill 36 an abandonment of that responsibility, and I say to the member who previously spoke, to the minister — and I wish he were here to hear this — that we ask him to come back to that responsibility, to take his job seriously.

I wish it wasn't so, and I wish the government had a member from northern Ontario who would feel the urgency and the trueness of this that I speak of today as my colleague from Algoma-Manitoulin, my colleague from Kenora, my colleague from Fort William and Port Arthur, all the northern members of this House live and breathe and feel this every day. As we return to our homes at the end of the week, the people we represent work in the resource industries. They derive their bread and butter from these industries today and depend on their sustainability to derive their income tomorrow.

It is very, very important that the government stop abandoning that responsibility. They need to be there and

have a presence in northern Ontario, to manage those resources, to keep all the resource companies honest, to work with them in a straightforward manner. It's very, very important.

Two thousand, one hundred people going away from northern Ontario, going away from the resources of this ministry, is shameful. It's shocking to my northern colleagues. In fact, it's shocking to all the colleagues in the Liberal caucus. We believe that the government of the day, the Conservative government, should not be abandoning that responsibility to northern Ontario.

They need to be putting the resources in the Ministry of Natural Resources to make sure that those resources of northern Ontario are in a sustainable condition. It was okay in the past to maybe exploit our resources in an irresponsible way. That's just the way our forefathers had done it. We don't need to make any excuses for the way they did, because they didn't know any better. We know better today, and we know that in order for sustainability to really get off the ground and to continue, it is going to take proper planning and management, but it's also going to take some supervision.

Human nature being what it is, people will try to take advantage, and northerners have always looked at the Ministry of Natural Resources as the final arbiter in managing those resources to make sure that in the end when there are disputes over our natural resources that they come in to referee the dispute, to make sure that they oversee the sustainable extraction of those natural resources.

It is time that this government got focused on northern Ontario, that they start to look at the north as not only just an area where they didn't win any seats in the last election, but an area that provides a lot of economic wealth for this province, an area that provides tremendous sustainability of its resources in the future, an area where this government has an opportunity to be a model of sustainability for the world, to have preservation and balanced exploitation of our resources.

1710

I believe we can do those two things. I know there are some people in the extreme faction of environmentalism who believe everything should be preserved and nothing should be touched. But we're entering a day when we know we can do things better, that we can exploit our resources in a sustainable way, that we don't have to wreak havoc with Mother Nature in order to derive a living up there. Northerners are cognizant of this more than anybody else. We understand that if that tree is not there tomorrow, then our children and our grandchildren are not going to have the job that maybe we enjoy today.

So we understand that sustainability. We look to government to help us be those stewards, to help us put into being new models of governance, to work with us, but instead what we see is an abandonment of those responsibilities.

What we've seen in my riding in the Temagami area, a very contentious area of land use and resource development, is the closure of the district office. Why this government, at this critical time when this land use dispute is going to heat up this summer among the environmental factions and the forestry companies and



the local municipalities that want to get on with development, would shut that office down is beyond me. I've spoken to the minister about this and wish he would at least have put into place some substitute before he closed down this office. We need some sort of substitute there; we need some new model of governance. The comprehensive planning committee of the Temagami area has made some recommendations for governance models, and I hope they will have the opportunity soon to discuss that with the minister.

To send that signal first, that "We will close down that office before we develop and give birth to a new governance model where local people, for the very first time, will have a say as to how our resources will be developed," is totally irresponsible. We've got to have those governance models in place. We've got to have the government help us do that. We've got to have the government give us some direction, some guidance through memoranda of understanding so that we can lay out the principles of sustainable development. Then you could start to offload that to local organizations and to people in maybe conservation or forest authority models that we could develop together.

Don't abandon us first and say, "We're closing that office and walking away." Ironically, I say to the member for Algoma-Manitoulin, those 50 jobs are going to North Bay. I'm trying to remember who the member is for North Bay — ah, it's the Premier. I guess the Premier is going to be getting those jobs out of Temagami, ironically enough. But don't abandon the Temagami area, don't abandon the people there who have worked very, very hard over the last eight years to try to develop a model of sustainability that would keep all sides satisfied that we can have economic growth and sustainability of our resources at the same time.

I know it can be done and I know this government, if it were willing to, has the expertise in the Ministry of Natural Resources to work with local people to make that happen. It can happen, but you just don't overnight get rid of 2,000 who have tremendous expertise in sustainability. These are people who love those resources up there, who have a balanced view of how our resources should be developed in northern Ontario. They have a wealth of information they have developed over the years.

In fact, the ministry says that its information management programs are going to be cut. They're going to get rid of the data acquisition of management activities. They're going to streamline that and downgrade it. That is irresponsible. Today more than ever, in order to have a sustainable forest industry and mining industry in northern Ontario, we need the very best, world-class information data acquisition that we can get. That is very, very important.

This, as well as all the other cuts that have been announced over the last few weeks, as well as some of the changes in Bill 36, has northerners just shaking their head as to what this government is doing. "Why has this government abandoned northern Ontario?" is what I'm asked in my riding when I return every weekend. Why are they not taking the lead to say, "Northern Ontarians, we want to work with you on economic development, we

want to work with you on sustainability, we want to be a partner with you in doing this"?

That's the type of leadership we would look to from our government, but we don't see that in this government. We don't seem to see the interest. The Premier is the only member on the government side who sits anywhere near northern Ontario, what I consider northern Ontario, anyway, and that is in North Bay and Nipissing. I know he doesn't have the time, and I don't blame him for that; he's the Premier and he's got to run that. But the people of northern Ontario are asking who is there to help them, to work as stewards to make sure our natural resource base is preserved on a sustainable basis, is developed for the betterment of the women and men in northern Ontario. This is very important.

We look at a whole new industry for the north that's really starting to develop and come into its own, and that is tourism. By the year 2000, we know that tourism will be, and in some countries today is, the number one industry; worldwide, it will be.

Northern Ontario would like to have a good share of that. We think we've got tremendous potential. The highly densely populated areas of Europe crave to have an experience that I experience every day of my life when I'm at home, an experience that I had today when I drove through my riding down to North Bay to catch the plane to come here. I drove through the beautiful woods of northern Ontario, through the Temagami region. At each corner there was another lake or river, the beautiful white pine and red pine and jack pine trees of that north. A lot of the people who live in my riding probably take that for granted. We see it every day. We work in it. We pass by it getting to our jobs, visiting our families.

People in Europe will be craving more and more, as the world becomes more densely packed and more high-tech, that sort of experience. We have a lot of that to offer. We are very lucky. We have been blessed by Mother Nature in northern Ontario and right across this province. This is not the time to be abandoning the tremendous potential attraction that we have that we could be developing even more than we are today. Instead of even the status quo and standing in place, 12 provincial parks are closed. Many more are not going to open. Others I predict will not be opening because it's going to be very difficult to find partners with the resources, the cash flows, to partner with the government in keeping these parks open.

I don't think we should look at parks necessarily as profit centres. That wasn't the original intention of establishing provincial parks in this province. It shouldn't be the intention in establishing new provincial parks in the future. Parks don't need to be profit centres. There are some things that government does that don't have to generate a profit. Preserving our natural resources, making sure they are accessible to ordinary people, to be able to get into the station wagon with a few sleeping bags and a tent, as I still like to do — it's a wonderful thing to get out into our parks and camp with your family. We've got to keep those opportunities accessible to everyone.

Not everybody can go to a Deerhurst Lodge in the Muskokas. That's another reason we have our provincial



parks. It's not just to preserve those wonderful natural resources that we've been blessed with; it's also to make sure those natural resources are accessible to all Ontarians. Those camping rates, those day use permit rates, have to be accessible, they have to be low-cost. I'm not sure you can turn a profit on all those parks. You probably can't. Quite frankly, if you can't, you still have to keep them open. I think that's part of the responsibility of government. I think that's part of the responsibility of the social fabric of this province, that we are blessed with natural resources. When people think of Canada, when people think of Ontario, they think of our trees and water resources first.

We need to make sure that the people of this province and our children have access to those resources, that you can pile the family in the car on a weekend, throw in that tent and those sleeping bags, as I said, and go up to Killbear Provincial Park outside of Parry Sound in the Treasurer's riding, and for maybe just a few dollars a night be able to set up your tent, to light a fire, maybe cook a meal with your family and walk out on the beach and look at the stars at night.

That's a good reason why I'm a Canadian; I like doing that. I enjoy that experience. As my children were growing up, I cherished those summer evenings to be able to do that, to look across Georgian Bay and maybe see some of the thunderstorms over the Bruce Peninsula and the lightning strikes there. Sometimes a whole community would develop on that beach, just watching that show of Mother Nature's fireworks out there. That sort of experience is not something you get from a book. It's not something you get in the big city, which offers a lot of other wonderful experiences. That's an experience that needs to be preserved for people. It needs to be accessible for all Ontarians. I ask this government to put its heart and soul and, yes, its pocketbook to make sure that experience will be available for all Ontarians.

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**The Acting Speaker:** Questions or comments?

**Mr Michael Brown:** I commend my colleague the member for Timiskaming on an impassioned speech, a speech that put the case for northern people, northern issues, northern jobs and especially our northern environment, and that raised, in his last few comments, the spectre of what's happened to the provincial park system.

I happen to represent an area that contains, in my view, probably the most tremendous of Ontario's provincial parks. I represent an area that has — and many in this House would know it — Killarney Provincial Park — absolutely magnificent.

If we follow the government's suggestion in this bill, we will understand that what it seems to believe is that the parks should be profit centres and that the price can vary from park to park. With a park that is under tremendous demand, a park like Killarney Provincial Park, which always has waiting lists — you cannot get into that park, generally speaking, in the summer without a reservation; it is virtually impossible — that would mean, if I'm a free enterprise type, the price is too low; what we need to do is keep the price going up until we can balance the demand with our limited supply. That would put Killarney Provincial Park, with the kind of demands

that are on Killarney Provincial Park, beyond the means of many Ontarians who presently enjoy that park very much.

I wonder. My belief is that the people of Ontario are willing to pay for that in their tax dollar. They're willing to preserve our heritage, they're willing to preserve our access through their tax dollar. They don't want to see these huge fees.

**Ms Martel:** I would like to congratulate the member for Timiskaming on the comments he made here this afternoon during the course of the debate. I want to focus on two of the items that he raised.

First, with respect to the comprehensive planning council and the recommendations which were just submitted to the minister on April 10, 1996, there are some 39 recommendations which the CPC made to the minister. I haven't had a chance to review the whole document yet, but I suspect a number of the recommendations he made focus on a continuing need for both financial and human resources in the Temagami area in terms of dealing with governance issues, with resource management, with some of the very difficult issues about allocation of resources which have plagued all governments and which all governments have been unable to deal with.

That is why, under the former Liberal government and then carried on under us, we put the advisory councils and then the CPC in place to determine on a local level what kind of responses would be adequate, what kind of responses would be appropriate; how could we deal with very controversial management issues around resources in a way that was sensitive to the local needs, in a way that would ensure there would be jobs for local people and in a way that would ensure that some of the very important values that people across the province wanted protected would be protected.

It is certainly my understanding, from the cuts that were announced in the business plan, that any further human and financial resources that once were devoted to this exercise will now be stopped. That is a serious mistake on the part of this government if we're going to finally have a resolution to what has been a very difficult issue.

Secondly, with respect to the cuts, the minister talked about the situation in his own riding, particularly with respect to the community of Temagami. It's a bloody disgrace that in a community of 900 we would lay off 50 MNR staff. That will totally devastate that community, and a number of other communities across the north will be devastated as well.

**Mr Klees:** I want to thank my colleague the member for Timiskaming for a most passionate speech. On the basis of his concern for those remaining 18 parks for which we indicated we would be looking for partnerships to manage them, so that we can keep them open, I want to commit to the member here and now that if we don't find partners for those remaining 18, we will manage them ourselves to ensure they remain open for this season.

The member has characterized the policies of our government as walking away from northern Ontario. I can tell you that the way to better characterize it is that we intend to walk together in partnership with northern



Ontario; that's the direction of our policy. I can tell you that we care very much about northern Ontario and the future of northern Ontario. In fact, it's because we care that we intend to shift from doing to partnering with the people in northern Ontario, as you had suggested would probably be the most appropriate way to address northern Ontario.

It's the issue of sustainability. Much has been said in debate today about sustainability. What we're ensuring is the sustainability of natural resource management in this province and specifically in northern Ontario. If we don't become much more fiscally responsible and find ways to partner with the private sector, then sustainability is at risk. So we commit to the people of northern Ontario that they in fact have the attention of this government and our commitment.

**Mr Bisson:** I just want to take a moment to comment on the speech made by the member for Timiskaming. In regard to his whole question in regard to what's happening in Temagami with the cancellation of the 50 jobs at MNR, I want members of this House, and maybe those people watching, to go back and remember the outcry that happened in Haileybury back in 1990-91 when the NDP government of the day, to try to contain costs, had cancelled the relocation of some 150 jobs to the community of Haileybury. I remember it fully well, as the member whose riding adjoins the riding of Timiskaming.

People in that community, rightfully so, were upset with our government and said, "My God, the cancellation of 150 potential jobs in our community has a devastating effect on our community." They demanded and got meetings with every cabinet minister representative from northern Ontario. I can tell you that the Minister of Northern Development and Mines, the Minister of Natural Resources, the Minister of Revenue etc were beckoned and called to that community and held accountable for that decision. You know what, Mr Speaker? You were in this assembly at the time and you remember that the government responded and that those ministers went to that community and answered for the decision before the people of Haileybury.

We have now the Ministry of Natural Resources, under the decision of Mr Hodgson, the minister responsible at MNR, and the Premier of Ontario saying, "We're going to cancel 50 jobs within the community of Temagami," a community of 900. In Haileybury, there were 4,800 people living there; in Temagami, there are only 900. Not a single minister of the crown, not a single member of this government is taking the time to go and sit down with the people of that community and say to the good people of Temagami: "Here are the reasons why we're making that decision. We will be accountable for the decision. We are prepared to sit down and show you why we've made the decision and to be accountable so that it's an open decision." That is not being done, and I say to the members opposite that I'd be somewhat ashamed of that record.

**The Acting Speaker:** The member for Timiskaming, you have two minutes to reply.

**Mr Ramsay:** I'd like to thank the members who got up in response to my speech. I have to say to the member opposite, the member for York-Mackenzie, that I find it

very hard to believe the desire of this province is to walk in partnership with northerners. First of all, there are about 2,000 people less to walk in partnership with us because you've gotten rid of those people. In fact, the signal to northern Ontario is that those of us who live in the north, 10% of the population, are going to suffer 45% of the cuts you have made to the Ministry of Natural Resources. So we don't see you as walking with us in partnership, but abandoning us in our time of continual struggle that we have with the economy of northern Ontario.

We need the government of Ontario as never before, and the ministries of northern development and mines and natural resources, to work with us to make that transition, to find sustainable ways of keeping our natural resource industries going, to use that sustainable natural resource base to move on to the new high-tech and high-knowledge types of industries. We need that base. We need you as partners. We don't need 2,000 fewer highly trained and highly motivated women and men up there, not working for us and with us.

We feel abandoned, for sure. You ask us why. Well, that's it. When we see the Closed signs and the For Sale signs start to pop up on our parks across northern Ontario, especially in a year when tourists are going to be driving up more and more, we feel abandoned.

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When we see offices such as Temagami, which fellow members have mentioned, without a word to anybody in the town, the government just saying, "Fifty people are leaving town, going down to North Bay to work; your office is closed," especially in a highly contentious area such as Temagami, it's irresponsible.

We don't see you as partners right now; we see you as working against us. I guess we'll have to work against you in the next election.

**The Acting Speaker:** Any further debate?

**Mr Bisson:** I want to thank, first of all, the members of the House prior to me who have had an opportunity to speak on this bill. I found the comments by all members of the three parties fairly interesting. It brings a different perspective to the bill.

I just want to try to go through this in a bit of an order by which the bill is presented. We're here today because we're debating second reading of Bill 36. The bill is entitled An Act to amend certain Acts administered by the Ministry of Natural Resources. There are primarily three things that the minister brings before this House in this bill. The first thing he brings forward are amendments to the Crown Forest Sustainability Act. I would like to hold my comments on that until later on into the speech because that's the crux of the bill as far as I'm concerned in regard to the effect it has on the communities within Cochrane South and the other areas, but the other two areas which the government moves on are amendments to the Game and Fish Act and also amendments to the Provincial Parks Act.

Some of what the government is doing, quite frankly, I can support. I'm saying it here in the House; I've said it publicly in my riding. I haven't got a problem with it. For example, they are making amendments in the bill to replace the Game and Fish Hearing Board with hearings



officers appointed by the ministry. Not a big deal. That hearing board was not all that active, was not as active as it needed to be, and quite frankly we can do that under the auspices of what the minister wants to do. I have no problem supporting that part of the bill.

Subsection 2(2) of the bill provides that the act "applies to black bear parts whether or not they originated in Ontario." For example, section 51 of the Act makes it an offence to sell game animals without a licence, so the amendment will allow section 51 to be used in respect of black bear parts.

What that basically means is we're not going to be able to trade in the province of Ontario in black bear parts. Not a problem. I have no problem supporting that part of the bill. That is a trade that shouldn't have been allowed to happen for many years, and I'm glad this government is coming forward with amendments there.

I don't think people recognize, if they don't live in the north, that there are people, not primarily hunters from Ontario but hunters from the United States, who come into northern Ontario for the bear hunt, they shoot the bear and walk away with the paws, walk away with the tongue maybe, and that's about all. The rest of the carcass is left there, and they trade in those parts. I don't think that is a humane hunt to start with and I don't think that is good management of our wildlife, so I support that particular section of the act.

The other part is they're going to allow deer to be killed in defence of property in accordance with an authorization written by the minister. I don't have a big problem supporting that. I would rather see that ability be set out of legislation and possibly in regulation, not have it where the minister himself or herself approves that at every opportunity. I don't think that's a good use of the minister's time. You'd probably be better off trying to set some rules under regulation, or possibly in the legislation, that clearly set out when you can hunt deer on private property, what issues need to be dealt with there.

There is an amendment to subsection 2(6) of the bill that says a person may not hold more than one licence to hunt black bear in any year. Good idea. We shouldn't be allowing multiple licences and multiple kills. If you've got one, that's plenty. That's what we do in moose hunting. You go out moose hunting, if you're lucky enough to get a tag, which is a pretty hard thing to do up in Cochrane South —

**Mr Marcel Beaubien (Lambton):** I didn't get one this year.

**Mr Bisson:** You didn't get one either. Oh, my God, I know the feeling. I've spoken many times on that issue.

Not a bad idea. You should allow people to participate in a hunt, and a good way to make sure there is a fair amount of tags for other people is to allow only one tag per person. Not a bad thing; I can support that.

Again, in the Game and Fish Act, subsection 2(7) of the bill provides that a licence to hunt black bears only permits one black bear to be taken. I've just spoken on that; no problem. So all in all, the amendments to the Game and Fish Act, I don't have a problem supporting. I would think most people in this House will support it from all three parties; not a bad part of the bill. Give the government their credit due when it comes to the changes they are making there.

Under the Provincial Parks Act, a bit of a mixed review coming from me. I recognize that the government has a belief that the private sector has a larger role to play when it comes to managing government operations. They want to see more weight put towards private sector involvement in managing everything from parks to various services provided by the government. I'm not bent to that side as much as the government is, but I would just want to point out that subsection 3(1) of the Provincial Parks Act amendments you're bringing forward removes a restriction that prevents agreement with unincorporated entities for the establishment or operation of works, facilities and services in provincial parks.

Let's call a spade a spade. What this does is, it says if you're a ministry employee within the Kettle Lakes Provincial Park up in Timmins and the government decides that it wants to privatize the services of that park, maybe not privatize the park but privatize the service put forward by the Junior Rangers and MNR staff who are employed there in the summer, the government will have the ability to privatize. That's basically what this does. Let's call a spade a spade.

Under the Provincial Parks Act there is presently a law that says you can't do that. You're changing that law. You're saying if you're an MNR employee or a seasonal employee of the MNR who works at Kettle Lakes Provincial Park, who works in any provincial park in Ontario, the minister will have the right to tender out the services that are presently being done by MNR staff, to be done by the private contractor.

For the Conservative that's not a problem, because it means to say they can save a few bucks. They'll pay their employees less money. Rather than paying an MNR employee \$14 or \$15 an hour as a seasonal employee to do that job, you're going to be able to get a contractor and have the contractor pay minimum wage. Government saves money. I don't see that as being particularly good for working people. People deserve a living wage; people deserve a fair wage for work rendered. This government obviously doesn't believe that as strongly as I do, so they are making it available to people to privatize and pay people less wages. I don't agree with that, and that part of the bill, quite frankly, I can't support.

The other thing is that under subsection 3(2), the Provincial Parks Act will be amended, and subsection (6) of the bill, to allow the minister to establish and to charge fees and rentals. Have you heard this in Bill 26 before: more hidden taxes, more user fees? Well, it's in this bill. It says basically the minister will have the right to establish and charge fees and rentals in respect of provincial parks without the need to make regulations. Here is something that people should be aware of.

Presently, in the province of Ontario, if the minister wants to set rates and fees in regard to what is charged in provincial parks, there is a public process. Isn't it wonderful in a democracy that people have the right to know what their government is doing and it is done in an open fashion so that people, if they choose to not support the decision of the government — such as was the case with us, because we raised fees under the NDP government in provincial parks. I had people come and petition me at my constituency offices in Timmins, Iroquois Falls



and Matheson who were opposed to that. They had the right to come. Why did they have the right to come? Because they found out about it, because it was a public process. Under the act it had to be done in an open way. What does this do? It puts it back behind closed doors.

What you're saying is that the minister will have the right to change fees and make other changes in regulation and do that outside of the public process. I say to the government, shame on you. If you Conservatives there are so caught up in saying that you want to have open government, why are you throwing that into closed doors? It doesn't make a lot of sense. All you're going to do is allow the Minister of Natural Resources to do this — well, you shake your head to the negative, but that's what the act says. Let me read it to you again. Subsections 3(2) and (6) of the bill will allow the minister to establish and charge fees and rentals in respect of provincial parks without the need to make regulations.

That means to say he's got the power to do it. He can sit in his cabinet office and he can draw up an order and say, "This is how we're going to be charging for all of these services," in 1996 or 1997 or 1998. He has the right to do that, and if it happens to be Mrs Bassett who becomes the Minister of Natural Resources, she will have the right to do that. I say the government must retain the right to determine the price for services. That's not the issue. But certainly the government has to be accountable and has to do that in some kind of an open way. To take that away from regulation and strictly make it the power of the minister to decide what happens is wrong. I don't support that and I want that for the record.

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The second part here: "Subsection 3(3) of the bill requires specific amounts received by the crown under the act to be held in a separate" —

*Interjections.*

**Mr Bisson:** You should listen up because I support this; this is not a bad one. I'll read it again: "Subsection 3(3) requires specific amounts received by the crown under the act to be held in a separate account in the consolidated revenue fund and authorizes the use of these funds for specified purposes." That means to say, for those people who are listening and those out there watching, as the government charges those fees, whatever the difference is — or is it the whole amount?

*Interjection.*

**Mr Bisson:** The whole amount? The entire amount that is charged for those fees that will be put in place by the minister and will be collected by either MNR parks or by those operators who will be running those parks will go into a separate account — great idea; nothing wrong with that — to be utilized back within the park system.

*Interjection.*

**Mr Bisson:** Hang on. I want to caution one thing: When you get into designated funds, I think that's a bit of a double-edged sword. That could lead to problems further down the road about where we spend our money on different things; but time for another debate. Overall it's open, it's accountable. I haven't got a problem; I can support that part of the act.

"Subsection 3(5) of the bill allows the minister to enter into agreements authorizing or requiring persons to

exercise or perform certain powers and duties under the act. A person who enters into an agreement and knowingly contravenes it is guilty of an offence."

I guess I can support that section. If you're going to privatize and you're going to give private sector entrepreneurs the right not only to work in a provincial park but to guard the park and to make sure the park is being used, you're saying those powers that the MNR officials had, you'll give the same powers back to the private sector. I don't like what you're doing, but you may as well give them the power if you're going to do it.

All in all, on those two sections of the bill and the Game and Fish Act I would give you full marks. I think that's good stuff.

With the Provincial Parks Act I've got a problem. I believe the MNR has a much larger role to play in that than you do, and that particular part of the bill I can't support.

In regard to the changes you're making in the Crown Forest Sustainability Act, on the surface it sounds fairly innocent. It says, "Subsection 1(1) of the bill clarifies that the minister may enter into an agreement to perform obligations of licensees under section 27 of the act." Most people don't know what section 27 is. Do you know what that is? That's your licence. What used to be the forest management agreement, the FMA, under the old act is now called a sustainable forestry licence, and it is governed under section 27 of the act.

What you're saying here is that under the crown units that are presently managed by the MNR, which are forests that are not controlled by the forest companies, you're going to allow the privatization of those units, or the management of those units to happen. I will speak to that in greater detail. I have a problem with what you're doing there.

The other part of the act is, "Subsections 1(2) (3) and (5) of the bill allow the minister to establish the amounts of timing of forest renewal charges and forestry futures charges without the need to make regulations." Again, the same thing. It was under the Crown Forest Sustainability Act, 1994, the law of this land that those charges set aside in regard to the trust funds, in regard to the forestry futures funds, used to be set under the legislation. Again, an open process; a process that the forest companies, the public, the environmental groups, the community groups were able to look at and say, "How much is it?" They could look it up in the act. If there were any changes made, the minister had to be held accountable through a public process. You're taking that and you're putting it on the desk of the minister and you're saying to the minister that he or she can make the changes and there doesn't need to be a public accountability.

I say again to the Conservative members, this is becoming a habit. Bill 26 — you moved in that way where you gave powers to your ministers to do things behind closed doors, and you're doing it again in this act. If I was a backbencher of the government, I would be somewhat worried about what you're doing there because it is not good practice to do that. It might be acceptable in the private sector that the owner, in his or her office, can make decisions, but that's a different ball game. The business owner owns a business and ultimately is respon-



sible. In the case of government operations, the Minister of Natural Resources is managing it, but he is managing those forest resources on behalf of you and me, the public of Ontario. To take all of those powers and put them into the hands of the minister and say, "You will do that under your own authority," is a problem. I beg to differ with the government on that one.

Specifically to what's happening with forest management in the province, I want to go through a bit of the history, because some of the members of this House may not know — not because you don't want to know, but because it's not an area of, I wouldn't say interest, but an area you may not have heard a lot about — the history of where we got to where we are now when it comes to sustainable forestry development, the management of our trees. I want to go through some history. You need to understand what's happened and where you're going, because where you're going is going to bring us back to where we were at the beginning, which was a broken system. It didn't work back in the 1960s and 1970s and it's not going to work now if you try to go back to that.

The history is simply this: Back when we originally started harvesting timber in this province, there were mainly small operators, very small companies and very small jobbers who were out there cutting small amounts of timber within the forests of Ontario.

Mr Speaker, I wonder if you could ask the members of the House to bring their conversations down to a dull roar.

**The Acting Speaker:** Please continue your debate.

**Mr Bisson:** Thank you very much, Mr Speaker.

As I said, in regard to the history, what happened was that originally in the province of Ontario, like all other jurisdictions, we had a situation where the companies were fairly small, the jobbers were fairly small, and in regard to the forest, not a lot of people had a lot of concern about it, because we were more prone to the development side and not too concerned about the environmental or the sustainability side.

What happened over a period of time is that the operators got a lot larger, the companies got bigger, less and less small contractors were in the bush, larger and larger contractors were in there doing work, plus we went to mechanization. When we moved from horse logging and went to mechanization, it meant we changed entirely how we harvested trees in our forests, and we were doing a lot of damage. As a timberjack and a harvester went into the forest and decided they were going to take out mature trees, sure, they were trying to take out just the mature ones, but in the process of extracting the logs out of the forest, they were basically clearing the entire cut. Even though they didn't cut the small trees, they were being bulldozed by the timberjacks and by the harvesters of the day.

It was a Conservative government and a member for Cochrane South, one Alan Pope QC, who was the Minister of Natural Resources back in the late 1970s, early 1980s, who said: "Whoa, we've got to put a stop to this. We need to make forest companies in this province more accountable because of two reasons: If we don't, we ain't going to have a forest industry in the future; and number two, if we don't, environmentalists will take a

hold of this thing and we will basically strangle our markets overseas and in the United States, being seen as a jurisdiction that does not harvest timber in a sustainable way, and eventually it's going to have an ill effect on the economy."

The member at the time, the Minister of Natural Resources, Alan Pope, from Cochrane South, the member who held the seat that I now have, prior to myself, introduced a different method of forest management, or I should say timber management. We went to timber management where the forest companies were held more accountable. The government put requirements on the forest companies to say: "When you're out there cutting trees in the forest, guys, you're going to be held accountable. There are going to be rules. There are going to be limits to what you can do. It's going to be prescribed how you do forestry within your particular cuts." They moved to what were called forest management agreements. If you were Malette Inc, if you were Abitibi-Price, if you were Kimberly-Clark of the day, you got basically a forest management agreement with the MNR and you said: "Here's what I'm going to do in the cut that I have, the area of terrain that I control, and here's how I'm going to do it: I'm going to do it according to the regulations set out by the MNR."

That was a good move. That was a general step, a positive step to the future of development of the forest industry. At first, I would say the forest companies were opposed. At first, I would say some of the members of this Legislature were opposed, but I think in hindsight, we look back today and we say that was very progressive legislation for the day. The Conservative government of the late 1970s, early 1980s, under the leadership of Alan Pope, the then member for Cochrane South, MNR minister, moved the government in that direction, and I think we were well served.

What happened over a period of time was that companies started getting better at what they did, and the MNR had a role to play in that. The forest companies basically were held more accountable by the MNR but, more importantly, the MNR played a role in watching what the companies were doing and working with them to develop the technologies of harvesting. We were able to learn what was going on in the forest so we could become better at it.

Over a period of time, a couple of things happened: We got much better at how we harvest trees in our forest, and we also built a stronger understanding, I believe, for the forest companies and how they were seen by the public of Ontario.

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I think if you go to people back in the early 1970s and you say, "What do you think of Abitibi, and what do you think of Malette," most of them saw them as lumber barons and said, "They're not doing a very good job of harvesting the timber in the forest," but if you look at what happened through the FMA process and the work that the companies were forced to do, those same companies, the Malettes and the Abitibis and the Kimberly-Clarks, public perception started to change. Why? Because the government made sure that they were held



accountable and there were good rules on how you managed timber management.

What ended up happening is those companies, in being able to make better use of the forests and do a better job of managing the forests, ended up making better names for themselves in regard to how the public viewed them.

Along came 1991, 1992, 1993, 1994, and under the NDP government, Howard Hampton, the then Minister of Natural Resources and the member for Rainy River, said, "We need to move this further, because we are now moving into an area where, for example, in the pulp and paper industry, the markets are affected in other countries by basically how we do the job of harvesting timber in this province."

For example, members may not know this, but many markets in Europe are basically starting the practice of saying, "We will not buy paper from a nation or a jurisdiction that doesn't have good sustainable development of their forests," and will only buy from those jurisdictions that they term as being green. Where we were seeing ourselves go was that the markets were going to shrink for the forest companies and lumber companies in Ontario to where we would be excluded on the basis of our forest practices in some cases.

What happened under the Crown Forest Sustainability Act is changes were made. By and large, those changes were this: There was, first of all, the implementation of what was found through the forest EA, which was a five-year work of I would say a labour of love for some and for others it was just a very long process, basically where we looked at what we did in the forests over the last 20 years. We said, "Let's learn by that, and let's through this EA make recommendations to the government about how we change management of timber so that we become better at what we're doing and we're able to learn." Those ideas and those learned lessons were then put into the new act and regulations and eventually the manuals.

So where now under the act the basic difference is that we manage our forests much better, again at the very beginning, some forest companies didn't like it, but eventually they said, "Hey, this is a step in the right direction," and when I meet with people like Gaetan Malette from Malette or I meet with people out of Abitibi and different companies, they're saying: "This is the right way to go. This was actually a good piece of legislation, a progressive piece of legislation that makes us accountable and makes sure that we all learn from our collective efforts of managing our forests so we become better at it."

Why? Because it makes economic sense. If you're going into the forests and you want to go out and take out trees, let's look at not only how you take out the trees but let's look at how you're going to deal with the whole question of reforestation.

I'll give you a little bit of an example. Back in the good old days of logging, they used to go in and they used to do what was called forest logging. They'd selectively cut a few trees, take out the larger trees, leave the smaller ones in. That was able to be done because the equipment of the day, namely a horse, didn't do a lot of damage in the forest. As we went in with timber jack and

narrow tires into the bush and we tried to do the same kind of thing, we ripped the heck out of the forest.

So out of what we did under sustainable forestry development, we learned how to better do the job to where now, for example, in the limits of Abitibi, they're going in and they're re-practising those old techniques using new equipment that allows them to do careful logging by which we're able to take out, by and large, only the large trees and leave the smaller ones in there so that 40 years later you have a forest that is in great shape, that is sustainable, and that you're able to go back in and cut it another time so the forest is not as adversely affected under careful logging. These are all principles that were found under the forest EA and other measures and put into the act.

The other thing that happened under the act, headed up by Howard Hampton at the time, was the whole question of the trust funds. It basically said, "As the company cuts a tree, rather than the stumpage fee going directly to the coffers of the government, it will go into a trust fund, and as the company does the work of rehabilitation in the forests, for what they have done, they will allow the money to be taken back to be paid for that," so that you always make sure you have money to pay for the question of forestry.

The whole idea is that we wanted to move to a different method of managing our forests, and the biggest thing we did is we moved from timber management to forest management. In other words, if you wanted to cut trees under the old system, you worried about the tree but you didn't worry about the lake, you didn't worry about the river, you didn't worry about the mammals, you didn't worry about other vegetation. You didn't look at those issues in your forest management plan because they were timber management plans. We moved to a system where we don't only do timber management but do forest management, so you have to take into account all those things when you're going in to do your harvesting.

The point I'm getting at is that what we're going to be moving to over time is no regulation in the bush, very little accountability on the part of the forest companies and very little role for MNR, back to what they used to call "the good old days" where basically you were allowed to rape and pillage the forest at whatever cost you wanted and got away with it. The Conservative government of the day, under Alan Pope, then with Howard Hampton, the Minister of Natural Resources under the NDP government, made huge changes in forest management that made it more accountable. We said that was a good thing, a thing that needed to be done.

The problem is where we're going. This government is saying: "We're going to forget our history. We're basically going to allow companies to become over time as self-regulating as they can push it." I'm sitting down with forest companies and forestry officials in my riding and other places and they're telling me that the MNR is saying to them to look at ways in which they can become self-policing. They're looking at ways the MNR staff can withdraw from the activities of forest management and put that responsibility clearly into the hands of the private sector, the forest companies.



I'll tell you something. They have two problems with your approach. The first one is that it's going to cost them money. Whatever the government withdraws of services presently being done by MNR and dumps them on the forest companies, they're going to have to pay for. That means that in those places that are more marginal — it's not a big deal when lumber is selling at \$410 per thousand board feet, not so much an issue. But as the price of lumber comes down to \$350, \$325 and \$300 per thousand board feet, those forest companies will have a really large incentive, as profits go down, to try to cut.

Where are they going to cut? They're not just going to cut in the mill, my friends. They're going to cut in the forest as well in terms of some of the stuff MNR now does in good forest management. They admit that freely. They say, "Listen, it is to our advantage to do a good job, but if it is not economic, we ain't going to do as good a job." These are the companies saying that, not me.

The other thing is that it really runs into the situation that public confidence built over a period of years in

terms of forest companies doing a better job will be threatened by this move. As you move the responsibility for policing and the enforcement of forestry back into the private sector, it means there's going to be less trust in the system than there was with the MNR involvement. I think you're going to polarize politics when it comes to forest management, to the point where you're going to see the environmentalist movement wake up again and say they have to play a larger role in policing what's happening in the bush to make sure that the work MNR was doing before is done by the environmental movement itself in watching what's happening in terms of forest management.

I see it is almost 6 of the clock, Mr Speaker. I move that we adjourn debate for this day and resume debate the next day.

**The Speaker (Hon Allan K. McLean):** It being almost 6 of the clock, this House stands adjourned until 1:30 of the clock tomorrow.

*The House adjourned at 1758.*







**LEGISLATIVE ASSEMBLY OF ONTARIO  
ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO**

**Lieutenant Governor / Lieutenant-gouverneur: Lt Col The Hon / L'hon Henry N.R. Jackman CM, KSJ, BA, LLB, LLD**

**Speaker / Président: Hon / L'hon Allan K. McLean**

**Clerk / Greffier: Claude L. DesRosiers**

**Senior Clerk Assistant and Clerk of Journals / Greffier adjoint principal et Greffier des journaux: Alex D. McFedries**

**Clerk Assistant and Clerk of Committees / Greffière adjointe et Greffière des comités: Deborah Deller**

| Member / Député(e)                | Constituency / Circonscription | Party / Parti | Other responsibilities / Autres responsabilités  |
|-----------------------------------|--------------------------------|---------------|--|
| Agostino, Dominic                 | Hamilton East / -Est           | L             |  |
| Arnott, Ted                       | Wellington                     | PC            |  |
| Baird, John R.                    | Nepean                         | PC            | parliamentary assistant to the Minister of Labour /<br>adjoint parlementaire de la ministre du Travail   |
| Barrett, Toby                     | Norfolk                        | PC            |  |
| Bartolucci, Rick                  | Sudbury                        | L             |  |
| Bassett, Isabel                   | St Andrew-St Patrick           | PC            | parliamentary assistant to the Minister of Finance,<br>deputy government House leader /<br>adjointe parlementaire du ministre des Finances,<br>chef parlementaire adjointe du gouvernement   |
| Beaubien, Marcel                  | Lambton                        | PC            | parliamentary assistant (rural affairs) to the Minister of<br>Agriculture, Food and Rural Affairs / adjoint parlementaire<br>(secteur Affaires rurales) du ministre de l'Agriculture, de<br>l'Alimentation et des Affaires rurales |
| Bisson, Gilles                    | Cochrane South / -Sud          | ND            |  |
| Boushy, Dave                      | Sarnia                         | PC            |  |
| Boyd, Marion                      | London Centre / -Centre        | ND            |  |
| Bradley, James J.                 | St Catharines                  | L             | deputy opposition leader, opposition House leader /<br>chef adjoint de l'opposition, chef parlementaire de l'opposition  |
| Brown, Jim                        | Scarborough West / -Ouest      | PC            |  |
| Brown, Michael A.                 | Algoma-Manitoulin              | L             | deputy opposition whip / whip adjoint de l'opposition  |
| Caplan, Elinor                    | Oriole                         | L             | chief opposition whip / whip en chef de l'opposition   |
| Carr, Gary                        | Oakville South / -Sud          | PC            | parliamentary assistant to the Solicitor General and Minister of<br>Correctional Services / adjoint parlementaire du solliciteur<br>général et du ministre des Services correctionnels   |
| Carroll, Jack                     | Chatham-Kent                   | PC            |  |
| Castrilli, Annamarie              | Downsview                      | L             |  |
| Chiarelli, Robert                 | Ottawa West / -Ouest           | L             |  |
| Christopherson, David             | Hamilton Centre / -Centre      | ND            | deputy New Democratic Party whip /<br>whip adjoint du Nouveau Parti démocratique   |
| Chudleigh, Ted                    | Halton North / -Nord           | PC            |  |
| Churley, Marilyn                  | Riverdale                      | ND            | Second Deputy Chair of the Committee of the Whole House /<br>Deuxième Vice-Présidente du Comité plénier de l'Assemblée<br>législative  |
| Cleary, John C.                   | Cornwall                       | L             |  |
| Clement, Tony                     | Brampton South / -Sud          | PC            | parliamentary assistant to the Minister of Citizenship,<br>Culture and Recreation / adjoint parlementaire de la ministre<br>des Affaires civiles, de la Culture et des Loisirs   |
| Colle, Mike                       | Oakwood                        | L             |  |
| Conway, Sean G.                   | Renfrew North / -Nord          | L             |  |
| Cooke, David S.                   | Windsor-Riverside              | ND            | New Democratic Party House leader /<br>chef parlementaire du Nouveau Parti démocratique  |
| Cordiano, Joseph                  | Lawrence                       | L             |  |
| Crozier, Bruce                    | Essex South / -Sud             | L             | deputy opposition whip / whip adjoint de l'opposition  |
| Cunningham, Hon /<br>L'hon Dianne | London North / -Nord           | PC            | Minister of Intergovernmental Affairs, minister responsible for<br>women's issues / ministre des Affaires intergouvernementales,<br>ministre déléguée à la Condition féminine  |
| Curling, Alvin                    | Scarborough North / -Nord      | L             |  |



| Member / Député(e)                        | Constituency / Circonscription   | Party / Parti | Other responsibilities / Autres responsabilités  |
|---|--|---------------|--|
| Danford, Harry                            | Hastings-Peterborough  | PC            | parliamentary assistant (agriculture and food) to the Minister of Agriculture, Food and Rural Affairs / adjoint parlementaire (secteurs Agriculture et Alimentation) du ministre de l'Agriculture, de l'Alimentation et des Affaires rurales |
| DeFaria, Carl                             | Mississauga East / -Est  | PC            |  |
| Doyle, Ed                                 | Wentworth East / -Est  | PC            | assistant deputy government whip / whip adjoint suppléant du gouvernement  |
| Duncan, Dwight                            | Windsor-Walkerville  | L             |  |
| Ecker, Janet                              | Durham West / -Ouest   | PC            | parliamentary assistant to the Minister of Community and Social Services / adjointe parlementaire du ministre des Services sociaux et communautaires   |
| <b>Elliott, Hon /<br/>L'hon Brenda</b>    | Guelph   | PC            | Minister of Environment and Energy / ministre de l'Environnement et de l'Énergie   |
| <b>Eves, Hon /<br/>L'hon Ernie L.</b>     | Parry Sound  | PC            | Deputy Premier, Minister of Finance, government House leader / vice-premier ministre, ministre des Finances, leader parlementaire du gouvernement  |
| Fisher, Barbara                           | Bruce  | PC            |  |
| Flaherty, Jim                             | Durham Centre / -Centre  | PC            | parliamentary assistant to the Minister of Consumer and Commercial Relations / adjoint parlementaire du ministre de la Consommation et du Commerce   |
| Ford, Douglas B.                          | Etobicoke-Humber   | PC            |  |
| Fox, Gary                                 | Prince Edward-Lennox-South Hastings /<br>Prince Edward-Lennox-Hastings-Sud | PC            |  |
| Froese, Tom                               | St Catharines-Brock  | PC            |  |
| Galt, Doug                                | Northumberland   | PC            | parliamentary assistant (environment) to the Minister of Environment and Energy / adjoint parlementaire (secteur Environnement) de la ministre de l'Environnement et de l'Énergie  |
| Gerretsen, John                           | Kingston and The Islands /<br>Kingston et Les Îles                         | L             |  |
| Gilchrist, Steve                          | Scarborough East / -Est  | PC            |  |
| Grandmaître, Bernard                      | Ottawa East / -Est   | L             |  |
| Gravelle, Michael                         | Port Arthur  | L             |  |
| Grimmett, Bill                            | Muskoka-Georgian Bay /<br>Muskoka-Baie-Georgienne                          | PC            | parliamentary assistant (tourism) to the Minister of Economic Development, Trade and Tourism / adjoint parlementaire (secteur Tourisme) du ministre du Développement économique, du Commerce et du Tourisme                                  |
| Guzzo, Garry J.                           | Ottawa-Rideau  | PC            | parliamentary assistant (energy) to the Minister of Environment and Energy / adjoint parlementaire (secteur Énergie) de la ministre de l'Environnement et de l'Énergie   |
| Hampton, Howard                           | Rainy River  | ND            |  |
| Hardeman, Ernie                           | Oxford   | PC            | parliamentary assistant (municipal affairs – rural) to the Minister of Municipal Affairs and Housing / adjoint parlementaire (Affaires municipales – secteur rural) du ministre des Affaires municipales et du Logement                      |
| <b>Harnick, Hon /<br/>L'hon Charles</b>   | Willowdale   | PC            | Attorney General, minister responsible for native affairs / procureur général, ministre délégué aux Affaires autochtones   |
| <b>Harris, Hon /<br/>L'hon Michael D.</b> | Nipissing  | PC            | Premier and President of the Executive Council / premier ministre et président du Conseil exécutif   |
| Hastings, John                            | Etobicoke-Rexdale  | PC            |  |
| <b>Hodgson, Hon /<br/>L'hon Chris</b>     | Victoria-Haliburton  | PC            | Minister of Natural Resources, Minister of Northern Development and Mines / ministre des Richesses naturelles, ministre du Développement du Nord et des Mines  |
| Hoy, Pat                                  | Essex-Kent   | L             |  |
| Hudak, Tim                                | Niagara South / -Sud   | PC            |  |
| <b>Jackson, Hon /<br/>L'hon Cameron</b>   | Burlington South / -Sud  | PC            | Minister without Portfolio (Workers' Compensation Board) / ministre sans portefeuille (Commission des accidents du travail)  |
| Johns, Helen                              | Huron  | PC            | parliamentary assistant to the Minister of Health / adjointe parlementaire du ministre de la Santé   |

| Member / Député(e)                    | Constituency / Circonscription             | Party / Parti | Other responsibilities / Autres responsabilités   |
|---------------------------------------|--|---------------|---|
| Johnson, Bert                         | Perth                                      | PC            | Deputy Speaker and Chair of the Committee of the Whole House / Vice-Président de la Chambre et Président du Comité plénier de l'Assemblée législative |
| <b>Johnson, Hon / L'hon David</b>     | Don Mills                                  | PC            | Chair of the Management Board of Cabinet / président du Conseil de gestion  |
| Johnson, Ron                          | Brantford                                  | PC            |   |
| Jordan, Leo                           | Lanark-Renfrew                             | PC            | deputy government whip / whip adjoint du gouvernement   |
| Kells, Morley                         | Etobicoke-Lakeshore                        | PC            |   |
| Klees, Frank                          | York-Mackenzie                             | PC            | parliamentary assistant to the Minister of Natural Resources / adjoint parlementaire du ministre des Richesses naturelles                             |
| Kormos, Peter                         | Welland-Thorold                            | ND            |   |
| Kwinter, Monte                        | Wilson Heights                             | L             |   |
| Lalonde, Jean-Marc                    | Prescott and Russell / Prescott et Russell | L             |   |
| Lankin, Frances                       | Beaches-Woodbine                           | ND            | chief New Democratic Party whip / whip en chef du Nouveau Parti démocratique  |
| Laughren, Floyd                       | Nickel Belt                                | ND            | deputy New Democratic Party leader / chef adjoint du Nouveau Parti démocratique   |
| <b>Leach, Hon / L'hon Al</b>          | St George-St David                         | PC            | Minister of Municipal Affairs and Housing / ministre des Affaires municipales et du Logement  |
| Leadston, Gary L.                     | Kitchener-Wilmot                           | PC            |   |
| Marchese, Rosario                     | Fort York                                  | ND            |   |
| Marland, Margaret                     | Mississauga South / -Sud                   | PC            |   |
| Martel, Shelley                       | Sudbury East / -Est                        | ND            |   |
| Martin, Tony                          | Sault Ste Marie                            | ND            |   |
| Martiniuk, Gerry                      | Cambridge                                  | PC            |   |
| Maves, Bart                           | Niagara Falls                              | PC            |   |
| McGuinty, Dalton                      | Ottawa South / -Sud                        | L             |   |
| <b>McLean, Hon / L'hon Allan K.</b>   | Simcoe East / -Est                         | PC            | Speaker / Président   |
| McLeod, Lyn                           | Fort William                               | L             | Leader of the Opposition / chef de l'opposition   |
| Miclash, Frank                        | Kenora                                     | L             | deputy opposition House leader / chef parlementaire adjoint de l'opposition   |
| Morin, Gilles E.                      | Carleton East / -Est                       | L             | First Deputy Chair of the Committee of the Whole House / Premier Vice-Président du Comité plénier de l'Assemblée législative                          |
| Munro, Julia                          | Durham-York                                | PC            | parliamentary assistant to the Premier / adjointe parlementaire du premier ministre   |
| Murdoch, Bill                         | Grey-Owen Sound                            | PC            | parliamentary assistant to the Minister of Northern Development and Mines / adjoint parlementaire du ministre du Développement du Nord et des Mines   |
| <b>Mushinski, Hon / L'hon Marilyn</b> | Scarborough-Ellesmere                      | PC            | Minister of Citizenship, Culture and Recreation / ministre des Affaires civiques, de la Culture et des Loisirs  |
| Newman, Dan                           | Scarborough Centre / -Centre               | PC            | parliamentary assistant to the minister responsible for native affairs / adjoint parlementaire du ministre délégué aux Affaires autochtones           |
| North, Peter                          | Elgin                                      | Ind           |   |
| O'Toole, John R.                      | Durham East / -Est                         | PC            |   |
| Ouellette, Jerry J.                   | Oshawa                                     | PC            | parliamentary assistant to the Minister of Transportation / adjoint parlementaire du ministre des Transports  |
| <b>Palladini, Hon / L'hon Al</b>      | York Centre / -Centre                      | PC            | Minister of Transportation / ministre des Transports  |
| Parker, John L.                       | York East / -Est                           | PC            |   |
| Patten, Richard                       | Ottawa Centre / -Centre                    | L             |   |
| Pettit, Trevor                        | Hamilton Mountain                          | PC            |   |
| Phillips, Gerry                       | Scarborough-Agincourt                      | L             |   |
| Pouliot, Gilles                       | Lake Nipigon / Lac-Nipigon                 | ND            |   |
| Preston, Peter L.                     | Brant-Haldimand                            | PC            |   |
| Pupatello, Sandra                     | Windsor-Sandwich                           | L             |   |
| Ramsay, David                         | Timiskaming                                | L             |   |



| Member / Député(e)                         | Constituency / Circonscription                     | Party / Parti | Other responsibilities / Autres responsabilités  |
|--|--|---------------|--|
| Rollins, E.J. Douglas                      | Quinte   | PC            |  |
| Ross, Lillian                              | Hamilton West / -Ouest                             | PC            | assistant deputy government whip /<br>whip adjoint suppléant du gouvernement   |
| <b>Runciman, Hon /<br/>L'hon Robert W.</b> | Leeds-Grenville                                    | PC            | Solicitor General and Minister of Correctional Services /<br>solliciteur général et ministre des Services correctionnels   |
| Ruprecht, Tony                             | Parkdale   | L             |  |
| Sampson, Rob                               | Mississauga West / -Ouest                          | PC            | parliamentary assistant (financial institutions) to the Minister<br>of Finance / adjoint parlementaire (institutions financières) du<br>ministre des Finances  |
| <b>Saunderson, Hon /<br/>L'hon William</b> | Eglinton   | PC            | Minister of Economic Development, Trade and Tourism /<br>ministre du Développement économique, du Commerce<br>et du Tourisme   |
| Sergio, Mario                              | Yorkview   | L             |  |
| Shea, Derwyn                               | High Park-Swansea                                  | PC            | parliamentary assistant (municipal affairs – urban) to the Minister<br>of Municipal Affairs and Housing / adjoint parlementaire<br>(Affaires municipales – secteur urbain) du ministre des Affaires<br>municipales et du Logement      |
| Sheehan, Frank                             | Lincoln  | PC            |  |
| Silipo, Tony                               | Dovercourt   | ND            | deputy New Democratic Party House leader /<br>chef parlementaire adjoint du Nouveau Parti démocratique   |
| Skarica, Toni                              | Wentworth North / -Nord                            | PC            | parliamentary assistant to the Minister of Education and<br>Training / adjoint parlementaire du ministre de l'Éducation et<br>de la Formation  |
| Smith, Bruce                               | Middlesex  | PC            |  |
| <b>Snobelen, Hon /<br/>L'hon John</b>      | Mississauga North / -Nord                          | PC            | Minister of Education and Training /<br>ministre de l'Éducation et de la Formation   |
| Spina, Joseph                              | Brampton North / -Nord                             | PC            | parliamentary assistant (small business) to the Minister<br>of Economic Development, Trade and Tourism / adjoint<br>parlementaire (secteur petites entreprises) du ministre du<br>Développement économique, du Commerce et du Tourisme |
| <b>Sterling, Hon /<br/>L'hon Norman W.</b> | Carleton   | PC            | Minister of Consumer and Commercial Relations /<br>ministre de la Consommation et du Commerce  |
| Stewart, R. Gary                           | Peterborough                                       | PC            |  |
| Stockwell, Chris                           | Etobicoke West / -Ouest                            | PC            |  |
| Tascona, Joseph N.                         | Simcoe Centre / -Centre                            | PC            |  |
| Tilson, David                              | Dufferin-Peel                                      | PC            | parliamentary assistant to the Attorney General /<br>adjoint parlementaire du procureur général  |
| <b>Tsubouchi, Hon /<br/>L'hon David H.</b> | Markham  | PC            | Minister of Community and Social Services /<br>ministre des Services sociaux et communautaires   |
| Turnbull, David                            | York Mills   | PC            | chief government whip / whip en chef du gouvernement   |
| Vankoughnet, Bill                          | Frontenac-Addington                                | PC            |  |
| <b>Villeneuve, Hon /<br/>L'hon Noble</b>   | S-D-G & East Grenville /<br>S-D-G et Grenville-Est | PC            | Minister of Agriculture, Food and Rural Affairs, minister<br>responsible for francophone affairs / ministre de l'Agriculture,<br>de l'Alimentation et des Affaires rurales, ministre délégué<br>aux Affaires francophones              |
| Wetlaufer, Wayne                           | Kitchener  | PC            | assistant deputy government whip / whip adjoint suppléant du<br>gouvernement   |
| Wildman, Bud                               | Algoma   | ND            | interim leader of the New Democratic Party / chef par intérim du<br>Nouveau Parti démocratique   |
| <b>Wilson, Hon /<br/>L'hon Jim</b>         | Simcoe West / -Ouest                               | PC            | Minister of Health / ministre de la Santé  |
| <b>Witmer, Hon /<br/>L'hon Elizabeth</b>   | Waterloo North / -Nord                             | PC            | Minister of Labour / ministre du Travail   |
| Wood, Bob                                  | London South / -Sud                                | PC            | parliamentary assistant to the Chair of the Management<br>Board of Cabinet / adjoint parlementaire du président<br>du Conseil de gestion   |
| Wood, Len                                  | Cochrane North / -Nord                             | ND            |  |
| Young, Terence H.                          | Halton Centre / -Centre                            | PC            | parliamentary assistant (colleges and universities) to the Minister<br>of Education and Training / adjoint parlementaire (secteur<br>collèges et universités) du ministre de l'Éducation et de la<br>Formation                         |
| Vacant                                     | York South / -Sud                                  |               |  |

**STANDING COMMITTEES OF THE LEGISLATIVE ASSEMBLY  
COMITÉS PERMANENTS DE L'ASSEMBLÉE LÉGISLATIVE**

**Administration of justice / Administration de la justice**

Chair / Président: Gerry Martiniuk  
Vice-Chair / Vice-Président: Ron Johnson  
Marion Boyd, Robert Chiarelli, Sean G. Conway,  
Ed Doyle, Garry J. Guzzo, Howard Hampton,  
Tim Hudak, Ron Johnson, Frank Klees,  
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Ces listes figurent dans les premier et dernier numéros de chaque session et du premier lundi de chaque mois. Par contre, une liste des circonscriptions paraît si l'espace est disponible.



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## Legislative Assembly of Ontario

First Session, 36th Parliament

## Assemblée législative de l'Ontario

Première session, 36<sup>e</sup> législature

# Official Report of Debates (Hansard)

# Journal des débats (Hansard)

Tuesday 7 May 1996

Mardi 7 mai 1996



Speaker  
Honourable Allan K. McLean

Président  
L'honorable Allan K. McLean

Clerk  
Claude L. DesRosiers

Greffier  
Claude L. DesRosiers



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# LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday 7 May 1996

# ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

Mardi 7 mai 1996

*The House met at 1332.  
Prayers.*

## MEMBERS' STATEMENTS

### EDUCATION AND TRAINING WEEK

**Mr Richard Patten (Ottawa Centre):** I rise in recognition of Education and Training Week in Ontario. This year's Education and Training Week theme, "A World of Opportunities," is fitting, because that is exactly what we in Ontario stand to lose — a world of opportunities for our students.

Since June 1995 the actions of this government have cast a sombre shadow over the future of education in Ontario. The massive cuts unleashed on Ontario's education system have forced numerous school boards to cancel junior kindergarten and adult education programs.

These changes are being done not in the name of education; rather, they're being done in the name of fiscal restraint. These dollars will be extracted completely from the education system and used to pay for an irresponsible 30% tax rebate, a rebate which will disproportionately benefit those who need it the least.

During the election, the government promised that it would protect classroom education. The reality, however, is that classrooms are being impacted negatively. Ontario now falls below the Canadian average of provincial per-pupil spending.

These are indeed challenging times in Ontario for our students, teachers and education professionals. I sincerely hope all our young people, all our students, young and old, will have the world of opportunities in their education system that they deserve.

I commend all those who are involved in the education week activities, and hope that this government recognizes that, for the sake of Ontario's future, our students should not be the generation that bears the burden of these cuts to education.

### NORTHERN ECONOMY

**Mr Len Wood (Cochrane North):** My statement today is to Ernie Eves, Minister of Finance, concerning the poor economic health of the north. A key indication of good economic health is the number of people who have full-time jobs. The more people employed, the more money circulating in the economy, creating more demand and more jobs. One of the primary reasons for the current poor economic performance is your government's cuts to spending, laying off thousands of people in the public sector and providing little or no job creation in the private sector.

There is absolutely no evidence that the tax cut promised in your budget will increase economic activity and create more jobs. At a pricetag of close to \$30 billion over five years, the only thing the tax break is certain to do is increase our deficit and debt by \$30 billion.

Recently your government gutted the Ministry of Natural Resources by chopping its budget by \$137 million. Twenty ministry facilities in northern Ontario will be closed. The transfer of management of Ontario's forests to the large pulp and paper companies means a 40% cut in jobs within the ministry. In northern Ontario this translates into 2,200 layoffs out of 4,600 jobs.

How is this creating a healthy economy? Your policies will not create a healthy economy in the north. The north is being ransacked by your government.

### NATIONAL FOREST WEEK

**Mr Frank Klees (York-Mackenzie):** I rise to stress the important contribution of National Forest Week, which runs until Saturday, May 11. National Forest Week is an annual celebration that has been observed for more than 60 years. Its primary purpose is to increase public awareness of the importance of Canada's forests for both people and wildlife. It also stresses the need for careful management of our forests for present and future generations.

This year's theme for National Forest Week is "Forest Regions: Varied Treasures." It is meant to reflect the increase in the number of urban forests and the increase in our understanding of economic, cultural and environmental values associated with forests.

Our partners in this year's celebration of National Forest Week are the Ontario Forestry Association and the Canadian Forestry Association.

I encourage members to support the many events and initiatives marking National Forest Week in communities across Ontario. Activities include tree-planting events, forest tours and educational programs.

In closing, I invite all members to join the Honourable Chris Hodgson, the Minister of Natural Resources, and myself tomorrow morning at 9 am on the east lawn of the Legislature where, along with our partners from the Ontario Forestry Association, the minister will plant a tree to commemorate National Forest Week.

### APPOINTMENTS PROCESS

**Mr Sean G. Conway (Renfrew North):** Two months ago the Harris government, as is its right, chose not to reappoint Mr Pravin Shah of Deep River to a second term on the Deep River Police Services Board. Mr Shah was appointed by the previous government.

I can tell you, on behalf of the mayor and the civic administration in the town of Deep River and on the basis



of all my information, Mr Shah did an extremely good job. He's an outstanding community leader and did a great job according to all reports. The police services board has invested a considerable amount of time and money in Mr Shah, who willingly took a number of courses and by all reports was very anxious to carry on the good work he had performed for two years.

The government, for whatever reason, chose not to reappoint Mr Shaw. I understand that is the right of the government. What I object to, in the strongest possible terms today, is the government, through the department of the Solicitor General, going through the charade of now holding new interviews, spending time and public money advertising for a position which it intends to fill on the basis of its own choice, which is its right. But on behalf of the people of Deep River and on my own behalf, let me say to the Solicitor General, who has joined the assembly at this time, will you stop wasting public money, stop wasting our time and insulting the intelligence of the community of Deep River —

**The Speaker (Hon Allan K. McLean):** The member's time has expired.

1340

#### SPENDING REDUCTIONS

**Mr Gilles Bisson (Cochrane South):** Later on today, at 4 o'clock, the government of Ontario is going to be bringing to this House and reading the first budget of this Conservative government. People in communities across Ontario know pretty well what's going to be within that budget, because we've seen the effects. We've seen, for example, that in the Timmins and District Hospital up to this point there's been a reduction of \$1.2 million in the budget of that hospital. What does that mean? It means fewer services for the people of the community and it also means fewer jobs.

We also take a look at communities like the city of Timmins in regard to its administration. It has lost a total of \$4 million. That means less money to plow roads, less money for garbage pickup, overall fewer services and more user fees.

We know the Golden Manor, one of our senior retirement homes, has lost \$400,000 up to now. What does that mean? Again, fewer nurses and fewer services for the people in need of the services of Golden Manor.

People wouldn't mind going through this process if they knew there were two questions answered: (1) if it were about real restructuring; and (2) if the money were going to pay down the deficit. But the tax cut is what this is all about. All the cuts we have seen up to now and what we will see in the budget today are about the Mike Harris government saying, at a time when we're \$10 billion in debt as of last year, they want to give a tax break to people at a time we can't afford it.

I say to the government, shame on you. You should be trying to deal with the real issues and quit playing politics with the people of Ontario.

#### INDEPENDENT HEALTH FACILITIES

**Mr R. Gary Stewart (Peterborough):** I rise in the House today to criticize opposition members for state-

ments made in the House about the quality of dialysis services as provided by independent health care facilities.

Many independent health facilities are insulted by suggestions that private clinics do not provide quality, safe dialysis treatment to their patients. These clinics meet extremely high standards that are set out and monitored regularly by the College of Physicians and Surgeons.

Private facilities are inspected by nephrologists and managers of dialysis units using very strict criteria. Standards for independent health care facilities are higher than dialysis standards for hospitals; they are not lower, as opposition members want the people of Ontario to believe.

Comments that dialysers are reused is also an unfair statement to make. Most independent health facilities are able to run a cost-effective unit without cutting corners on equipment or levels of care.

I encourage opposition members to stop muddying the reputation of dialysis providers and stop fearmongering. Stop building barriers in front of dialysis units that until now have been nothing more than a dream.

#### TAX REDUCTION

**Mr Rick Bartolucci (Sudbury):** As we approach budget hour, we get closer to the realization that the New Jersey model, the model of Ontario's Common Sense Revolution, is wrong.

The Governor of New Jersey, who also promised a 30% tax cut, said, "There are many people who said it couldn't be done, but we promised and we delivered." Sound familiar?

But to get this fantastic windfall of a tax break, the Governor had to lay off thousands of workers, cut health and social service programs, privatize nursing homes, cut drug benefits for seniors and the disabled and introduce new user fees. Sound familiar?

Then the Governor slashed funding to municipalities and school boards, which caused property taxes to soar through the roof. The inner-city schools of New Jersey are laboratories of despair for the young, and if you get the impression that the architects of this New Jersey model don't send their children there, you're right.

The small percentage of people receiving more than half the benefits of the 30% tax cut are the wealthy. Sound familiar? Like everywhere else, the neo-conservative experiment spectacularly succeeds at widening the income gap between the rich and the poor. For most people, the 30% tax cut is weaseled back in the form of user fees and higher municipal and higher school taxes.

Welcome to the New Jersey failure. Ontario has arrived.

**Mr David Christopherson (Hamilton Centre):** Contrary to the hopes of this government, the people of Ontario are very much aware of the price of the tax cut that is likely to be announced this afternoon.

I have a sampling of responses I received from the mailout we did, asking people what they think about the 30% tax cut when indeed they look at what it's costing us as a society and as the people of this province. One of them reads:



"Dear David:

"I am a doctor and would stand to gain financially from a tax cut, but I don't really need it and I don't want it if that money could be used to pay down the deficit while social programs are better protected. This view is shared by many of my peers."

Another constituent writes: "The kind of attack on the poor that Mike Harris's policies constitute is immoral and unjust in any circumstance — but when the rich are being given tax cuts at the same time, the injustice is unbearable."

Another reads: "I am a concerned disability pensioner. Mike Harris should be in our shoes for a year to see what it's like to live off our pension. Please help us."

Further: "You are not doing anything" — it's addressed to the Premier — "to relieve the burden of debt for our people, but you are enriching the few people and making the rest of us suffer, to put more money into the pockets of the rich. When will you admit honestly that you are relieving the wealthy by the 30% rebate?"

No one will be fooled today.

#### CAMPBELL CHILDREN'S SCHOOL

**Mr Jerry J. Ouellette (Oshawa):** I rise to support the Campbell Children's School Board of Education in my riding of Oshawa.

Specifically, the board provides educational assessment and special education programming as well as life skills training which enable special-needs children to reach a personal level of physical and social independence. The Campbell school services a population base of 409,000 across the region of Durham. The school's caseload has increased by 104% since 1990 with referrals comprising a 60% increase.

Currently, there are 1,502 children receiving service from the Grandview facility, of which 743 were referrals from last year alone. The Grandview facility is classified as a hospital and receives its funding from the Ministry of Health.

As well, there are 20 children currently enrolled in the Campbell Children's School and 171 in the preschool outreach program. The Campbell Children's School is funded by the Ministry of Education under section 68 of the Education Act. The preschool program is funded through the Ministry of Community and Social Services. The speech-language pathology service and the preschool outreach program have had to restrict admissions over the past three years in order to provide services to those in the greatest need.

It is clearly in the best interests of the children with severe physical disabilities and/or communication disorders and their families to provide the children's treatment centres with the option of maintaining on a continuing basis the section 68 schools onsite.

**The Speaker (Hon Allan K. McLean):** It's time for ministerial statements. No ministerial statements. It's time —

**Mr James J. Bradley (St Catharines):** On a point of order, Mr Speaker: I realize it's a different kind of day today with the lockup and so on. I'm wondering if you know — okay, I see the minister coming in now. Thank you very much, Mr Speaker, for indulging me.

## ORAL QUESTIONS

### PHYSICIAN SHORTAGE

**Mrs Sandra Pupatello (Windsor-Sandwich):** My question is for the Minister of Health. I would like to ask the minister what he intends to do about the doctor shortage in the Windsor-Essex county area, and in particular what he intends to do now.

**Hon Jim Wilson (Minister of Health):** The government's taken a number of measures to improve the distribution of physicians across the province. Included in those measures is the fact that the underserved area program is wholly intact and it's my understanding, although there's been a lot in the media and I've been following it every day in Essex-Windsor — and you might correct me if I'm wrong, I say to the honourable member — that nobody's applied for the underserved area program assistance that is available.

**Mr Dwight Duncan (Windsor-Walkerville):** You're correct, locally we are now trying to begin the process to get the underserved area designation. Minister, once that process is completed locally, will you use your offices and the ministry resources to help us speed up the process, given that the ministry has already acknowledged that in fact Windsor is an underserved area?

**Hon Mr Wilson:** I'd be very pleased on behalf of the government to give that commitment to the honourable members.

**Mrs Pupatello:** I think it's imperative to know that your own officials, Minister, acknowledge that we have a shortage of some 96 family doctors in the Windsor-Essex county area. It begs the question: How accurate are the ministry records anywhere in Ontario? As you acknowledged the last time I asked the question, there are numerous communities around Ontario which are looking for answers. Discussion like you gave last time on primary care reform really is not adequate. It's a cookie-cutter approach to doctors' services and does not address the issues in areas like Windsor, in areas like Alliston.

I might say that while you have had various opportunities to seek guidance on primary care reform, I too tried to seek more guidance on primary care reform, and last night at a meeting I was tossed out of such a meeting by one of your goons in a silk suit. I can tell you that the reality is that for those of us who live in the Windsor-Essex county community, it's imperative that we don't just wait for primary care reform, because the rostering of doctors will not work on its own.

1350

**Hon Mr Wilson:** I will be as polite as possible in my reply. There are two things I'd like to bring to the member's attention. One is that primary care reform and the presentation put forward by the Ontario Medical Association, we feel, as a government, are critical components in ensuring that we have better physician distribution and that we solve the problems that face your communities and, as you mentioned, my communities like Alliston and Collingwood.

With respect to the behaviour of the member last night, given that the OMA has also extended the invitation and has briefed the other caucuses — that was a briefing for



our caucus last night — frankly, your behaviour was despicable, to say the least.

#### OMA AGREEMENT

**Mrs Elinor Caplan (Oriole):** I also have a question for the Minister of Health. Recently, it was reported in the Toronto Sun that the Premier said that the doctors' complaints about quality health care in Ontario are just symptoms of ongoing salary negotiations with the OMA.

It was also reported that the Premier said that doctors should not be, and I'm now quoting directly from the Toronto Sun, "jockeying" around in the middle of negotiations. He's also quoted as saying that doctors want to "break" the salary agreement they signed with the previous NDP government.

Minister, was the Premier referring to the agreement that your Bill 26 scrapped? And if not, what agreement was the Premier referring to?

**Hon Jim Wilson (Minister of Health):** For the last 10 months we've been working very closely with the Ontario Medical Association in trying to obtain agreement on a number of issues, including enhancement of rural Ontario and northern Ontario physician services. We did get agreement, obviously, on the Scott report — \$70-an-hour sessional fee implementation — on primary care reform, and a whole host of other issues in which we are in discussions with the Ontario Medical Association at this time.

**Mrs Caplan:** The Premier has insulted the Ontario Medical Association and doctors by suggesting that they want to scrap the agreement which was quite clearly scrapped by Bill 26, your bill. You scrapped it, not the doctors.

The doctors are rightly feeling angry and frustrated and betrayed by your government. The president of the Ontario Medical Association, Dr Ian Warrack, has stated:

"I'm very concerned about who is speaking for the government when it comes to health care. On the one hand you have the Premier repeatedly stating that there is an agreement in place and there are negotiations ongoing between government and doctors, when in fact neither is the case, and then on the other hand you have the health minister sending a letter to every Ontario doctor telling them a new scheme for funding medical services is about to be imposed."

Minister, who is correct? Are you negotiating a contract, as the Premier says, or is Dr Ian Warrack right when he says there are no negotiations going on? Who is telling the truth?

**Hon Mr Wilson:** Perhaps the honourable member would like to get up to date a little bit and refer to the press release of yesterday from the Ontario Medical Association where it praised this minister and this government for embracing primary care reform and for actually beginning to deal with, in a public way, some of the questions that have to be dealt with as we move to implement primary care reform.

While we've had our ups and downs in terms of discussions with the Ontario Medical Association, we did inherit a capped pool of \$3.805 billion. I remind members that Ontario today spends 20% more than the national

average on physician services, so we think we're spending enough money in physician services. Obviously the physicians of the province, through the Ontario Medical Association, would like more money, and that's the basis of the discussion we're having in trying to bring some solutions to the table. We think one of those solutions, in agreement with the OMA, is primary care reform in this province.

**Mrs Caplan:** The minister has not answered my question. I am fully aware that there are frequently tensions when there are negotiations taking place, but I think he knows full well that there are no negotiations, as the Premier has stated, taking place; discussions yes, but no formal negotiations. The government has clearly stated that it is not interested in an agreement with the Ontario Medical Association.

Minister, Bill 26 gives you all the power to impose a fee schedule. You do not need to consult, negotiate or even discuss your plans with the doctors of this province. The facts are that morale among the province's doctors is at an all-time low and communities all over Ontario, such as Windsor, are experiencing underservicing in areas such as primary care. This is unprecedented. They need doctors now, yet doctors are leaving Ontario in unprecedented numbers. They are fed up; they are feeling betrayed.

I understand that negotiations are difficult, but you have not even admitted to having negotiations. The Premier says you're negotiating; you say you are discussing. You have a responsibility to the people of the province to ensure that the communities of Ontario have the doctors they need and that the doctors are dealt with in good faith. Will you tell the House today, are you going to impose a settlement or are you going to enter into negotiations with the Ontario Medical Association as the bargaining agent for Ontario's doctors? Are you going to negotiate with the OMA?

**Hon Mr Wilson:** We're having ongoing discussions with the OMA. The proof is in the pudding, in that some three weeks ago ministry staff and my political staff sat down with the 35 heads of the sections of the OMA, the first time in history a government has actually gone in and talked to the 35 heads. They had an interesting day. They didn't agree on some things; they were able to agree on other things. Yes, we're trying to have agreement on a number of issues. What final framework that agreement might take is undecided between the two parties at this time.

With respect to Bill 26, the member is in error. The fact of the matter is that Bill 26 puts in practice and codifies something that's long overdue, and that is that the government can't unilaterally make decisions. We've committed to the OMA that we won't unilaterally change the fee schedule or introduce primary care reform and a number of other initiatives without fully consulting with them and receiving their input. So far that's what we've done, and we are committed to continuing to do that.

With respect to the final point raised by the member, that doctors are leaving Ontario in extraordinarily large numbers, I'd like to see her statistics on that. They do not match the statistics of the Ministry of Health at this time.



## VIDEO LOTTERY TERMINALS

**Mr Peter Kormos (Welland-Thorold):** I've got a question to the Minister of Economic Development. Your leader, the Premier, has on numerous occasions said that Ontario doesn't have a revenue problem but a spending problem. He refuses to acknowledge that this tax cut is going to result in a drop, a decrease in revenues.

It's been reported that your government is going to be introducing video lottery terminals. Video lottery terminals are reported to be worth an extra \$1 billion in revenues here in the province of Ontario. If not for the revenue, why would your government even be considering introducing VLTs to Ontario?

**Hon William Saunderson (Minister of Economic Development, Trade and Tourism):** I would like to decline to comment on the VLTs at this particular time and allow that to come out in the fullness of time.

**Mr Kormos:** Would I ever love to play poker with this guy.

The finance minister says VLTs can create a whole lot of social problems in society.

*Interjections.*

**The Speaker (Hon Allan K. McLean):** Order. I can't hear the member asking the question. There's too much noise. The member for Welland-Thorold.

**Mr Kormos:** Thank you, Speaker. It is difficult when people are talking in all different places at the same time.

The finance minister of this government says VLTs could create a whole lot of social problems in society.

*Interjection.*

**Mr Kormos:** It's what your finance minister said. Lots of other provinces have introduced VLTs and lots of other provinces have had social problems as a result of VLTs. What's different now? You wouldn't even have to consider this kind of socially destructive revenue grab if you weren't hell-bent on a mindless tax cut. Do you believe, Minister, that video lottery terminals lead to serious social problems, as does the Minister of Finance?

**Hon Mr Saunderson:** Again to the member, I'd like to say that I don't think we need to be lectured by that party over there, which made especially a flip-flopping over Sunday shopping.

1400

**Mr Kormos:** This minister spent too much time watching the O.J. Simpson trial; he's invoking all sorts of amendment rights and declining to answer. The minister's own colleague — here we are again — the member for Middlesex, in a recent riding association newsletter, distributed the most false and erroneous information possible. In that newsletter by the member for Middlesex, he stated that the typical profile of a VLT user is: male, well-educated, employed full-time, with an income range of \$25,000 to \$30,000, playing once or twice a week for 30 minutes and spending about 10 bucks. Wrong.

In British Columbia, where they abandoned their own plan for introducing VLTs after broad consultation, their studies showed that VLT users are generally people who can ill afford to lose their money, and these are people who tend to be employed at low-paying jobs.

VLT games have been called a tax on the poor; they've been called the crack cocaine of gambling. One

Edmonton journalist said that it makes other forms of gambling look like a cake raffle.

**The Speaker:** Put your question, please.

**Mr Kormos:** In Alberta, Manitoba and Saskatchewan, charities have reported bingo and break-open ticket losses of up to 80%.

Mike Harris stated, promised, that a Harris government will not move on VLTs until all sectors have been consulted, all impacts are assessed and an agreement is reached on the distribution of revenues. That was an election promise.

Minister, is your government keeping that promise? Tell us how it's keeping that promise. Who's been consulted? What's the distribution of revenues? Come clean.

**Hon Mr Saunderson:** To the member, I must say that there is an old saying that people in glass houses shouldn't throw stones. I'd like to find out what your policy is on VLTs. What is your policy on VLTs? Aren't there VLTs in the Windsor Casino? Didn't you approve VLTs at the Rama casino? I have to tell you, you, a candidate for leader of your party, better stop speaking out of both sides of your mouth.

## HOSPITAL SERVICES

**Mr Floyd Laughren (Nickel Belt):** After that response from Jan Dymond, I'll move to the Minister of Health for a question. To the Minister of Health, yesterday in this House the member for Durham West paid tribute to Nurses Week by saying, "I am certain that all MPPs would agree that Ontario's registered nurses are the bedrock upon which our health care system rests." Now, isn't that a nice bromide coming from a Tory back-bencher? What she didn't say is how much harder the nurses have to work to provide the service.

Last week, the Ontario Nurses' Association released a special report on the state of health care in this province. They found that 81% of nurses in Ontario believe that understaffing has reached the point that unsafe conditions exist for patients. The survey cited longer waiting lists, lack of community-based health care services and the need for physicians to spend more time than ever before trying to get their patients access to the health care services they need.

What the nurses are telling you, and the doctors are telling you as well, is that with longer waiting lists, hospital layoffs growing and patient care suffering, it's time you admitted that the promise in the Common Sense Revolution was simply nothing more than that, and it's a promise that already has been broken and people are waiting for you to 'fess up.

**Hon Jim Wilson (Minister of Health):** Perhaps if the honourable member could be patient for a couple more hours, he will be in a position, I would suggest, to retract what he just said.

**Mr Laughren:** Well, the minister makes a lot of the announcements he's made on reinvesting into the health care system. He's announced over \$2 billion in cuts. In the hospital system alone he's announced about \$1.3 billion in cuts and his reinvestments to this point are less than \$500 million. He can talk all he likes about continu-



ing reinvestments; he's taking a lot more out of the system than he's put back into it.

I'd like to give the minister a very specific example. St Joe's hospital in the High Park-Swansea area has cut speech pathology therapy programs due to budget restrictions imposed by your government. The waiting list to get an assessment is now about a year, and the waiting list for treatment is another year on top of that. This is what, in a letter from the hospital, they are saying: "You should be aware that our current waiting list for assessment is 8-12 months, with a further 8-12 months for treatment, if indicated. We are currently encouraging all parents to investigate the possibility of extended health care insurance, paying for a private assessment" — which would be about \$200 — "so that their children can proceed directly to our treatment wait list."

These kids, who are ages two, three and five in particular, need assessment now, not when they're seven years old. When are you going to understand that what you're doing to the health care system is not what the people in this province want from you? They want a health care system that we can all continue to be proud of, and you are taking that away from them.

**Hon Mr Wilson:** The honourable member couldn't be further away from the facts than he is and has been as health critic for some time. I've a lot of respect for him as a person, but he does have a real hard time with the fact that we've had good news for health care over the past 10 months in this province. That news will continue today. The honourable member is wrong. Our reinvestments have exceeded any cash in hand that we've seen with respect to transfer reductions.

**Mr David S. Cooke (Windsor-Riverside):** What cash in hand?

**Hon Mr Wilson:** Well, it's fine for you to keep throwing around the \$1.3 billion figure, but you know that is over three years. You know that we're ahead of the game with respect to reinvestments, including the \$170 million for nurses, for home care, homemaking services, which will create 4,400 new jobs in the community-based services. We've made that major upfront investment — the figures today will show that it's an upfront investment — before we've seen any major restructuring or one penny of restructuring dollars to the province of Ontario as a result of hospital restructuring. So we're making those upfront investments that will be reflected in today's numbers, for example, and we've fully lived up to, in fact exceeded, our commitment to health care in this province.

With respect to the particular service, it is a good question. We are doing the operational reviews, the operating plans right now. There's a number of protected services like psychiatric services, chiropody, for example, that was raised yesterday. In fact, Credit Valley Hospital has been given \$2 million extra to provide that service, and we're now asking them why they're threatening to get rid of it.

Again, if the honourable member can be patient for a couple of more hours, I think he'll see some new benefits to the children of this province with respect to services that this government can provide within our health care envelope which, as I said, has not been cut.

**Mr Laughren:** There are many, many examples. I gave one, and I'll give you a couple of others, because just speaking in generalities isn't good enough and doesn't deliver the services that are being cut.

At Mississauga Hospital today, nurses, X-ray and lab technologists and other hospital workers are demonstrating against the planned cuts to staff as a result of your budget cuts. Mississauga Hospital will be cutting 10% of their registered practical nurses and 20% of their lab technologists. This is at a time when the population growth for the catchment area for that hospital is about 13.8%.

There are other examples as well. At Sunnybrook Health Science Centre, among the layoffs are two full-time psychologists who work with cancer patients, and three neuropsychologists who work with trauma patients. 1410

The ONA reported last week that while once there was a nurse to care for every patient in intensive care units, now there's one nurse for every four patients in intensive care and in some cases it could be as high as 12.

The people in this province are not interested in your little shell games and your rhetoric around preserving health care. They want these critical health care services provided. What we want from you is a commitment that it indeed will be the case and you'll put an end to these cuts to our health care system.

**Hon Mr Wilson:** It's hard to put an end to something that isn't occurring, and there are no cuts occurring to health care.

The \$1.3 billion is quite achievable if honourable members would stay consistent with what their parties and leaders, in your case former leader, have said; that is, that you're in favour of hospital restructuring. If you look at the \$1.3 billion over the next three years, one report in Metro Toronto alone says \$1 billion over a four-year restructuring period can come out of administration and getting rid of duplication and waste. I thought we all agreed on that. That's what we're doing.

We've set the financial targets, which are quite doable within the context of restructuring. We've gone through Bill 26 and set up an arm's-length Health Services Restructuring Commission with experts on that so the politicians don't mess up restructuring but experts do the restructuring. Everyone in the sector realizes it has to be done and is long overdue, and second, that it's quite doable within the fiscal parameters we've set.

With respect to human resource plans and ensuring that health workers are retrained, the health services training adjustment fund that you set up is still intact. It's serving people now. It will continue to serve people in the future.

Also, we've asked DHCs to redouble their efforts to ensure that human resource plans for nurses and doctors and so on are fully in place and fully explored and fully revealed and discussed with the public before those plans come to the Ministry of Health, because we are worried. However, we've been creating the jobs we can create in the shift that's required, and that's 4,400 new jobs in community-based services, many of those for nurses and homemakers. That's good news for workers who will undergo hospital restructuring in this province.

**Mrs Elinor Caplan (Orillia):** On a point of order: On page 2768 of yesterday's Hansard, the Minister of Health



said, "Chiropody, for example, is not an insured service." He went on to say that doctors and medically necessary services are covered but that chiropody services are actually non-insured services in the province. I ask you to ensure that he correct the record and —

**The Speaker (Hon Allan K. McLean):** Order. The member does not have a point of order.

#### AGRICULTURAL FUNDING

**Mr Pat Hoy (Essex-Kent):** My question is to the Minister of Agricultural, Food and Rural Affairs. Your leader, Mike Harris, has stated that user fees are a tax. Minister, before you introduced Bill 46, you stated to me and the critic for the third party that you had discussed the contents of the bill with the farm organizations in Ontario. Did you tell them there would be no new user fees or service fees as a result of Bill 46?

**Hon Noble Villeneuve (Minister of Agriculture, Food and Rural Affairs, minister responsible for francophone affairs):** We discussed what agriculture and the people who work in the agrifood business, who produce the food, see as their ideal for the Ministry of Agriculture, Food and Rural Affairs. I can tell my honourable colleague that user fees in the likes of AgriCorp — the AgriCorp administration will be what is now known as the Crop Insurance Commission in the short term. If the honourable member is unhappy with farmers looking after their business, he should put that on record, because I believe farmers can best administer what touches them.

**Mr Hoy:** On May 3, the Ontario Federation of Agriculture had a news release after your announcement here in the House. They were concerned with funding, who would pay for services and what this will do to ensure Ontario farmers will be competitive 10 years from now. In light of the fact that the United States has a farm bill that is very lucrative to certain segments of their agricultural sector, regardless of the price they receive, how can Ontario remain competitive, with new user fees and service fees?

**Hon Mr Villeneuve:** I'm not sure where my colleague gets the idea of user fees. In AgriCorp, as an example, in the safety nets issue, contribution is by the two levels of government, federal and provincial, as well as from the producer. With crop insurance, likewise, and it will be —

**Mr Hoy:** On premiums.

**Hon Mr Villeneuve:** Those are premiums and they will be administered by farmers. Your party brought in an agricorp bill in 1990 and you didn't have the political will to put it through. We have brought it in and we'll make it happen.

**The Speaker (Hon Allan K. McLean):** New question.

**Mr Gilles Bisson (Cochrane South):** The minister wonders where user fees come from? He should look in the mirror.

#### NORTHERN ONTARIO

**Mr Gilles Bisson (Cochrane South):** My question is to the Minister of Transportation. Last Friday, he was up in Thunder Bay, along with five of his cabinet colleagues, as an invited guest of the Northwestern Ontario Muni-

pal Association. At that meeting were people from across northwestern Ontario, municipalities of the northwest. At that particular meeting, the minister listed all the communities he had been to and then said, "To those of you here from Timmins, I will be in your municipality soon."

Minister, there were no representatives from Timmins, because Timmins is in northeastern Ontario. If you wanted to speak to them, you'd have had to go to the northeastern Ontario municipal association. It's no wonder the roads of northern Ontario are in bad shape, with a minister who doesn't know his geography. If you don't know your northern geography, how are we as northerners to have any confidence in your ability to make decisions on behalf of the people of the north?

**Hon Al Palladini (Minister of Transportation):** It is with great pleasure that I certainly wouldn't need any lessons from you about the geography of Ontario. I was basically being polite, because one of his colleagues from Timmins was there and I was being polite to recognize the colleague.

**Mr Bisson:** I want to point something out. I am the member for Cochrane South and I reside in the community of Timmins. The member you're referring to is the member for Cochrane North, who resides in the community of Kapuskasing. Kapuskasing and Timmins are not the same community. Minister, you're digging yourself in deeper and deeper. You don't know that Timmins is in the northeast to start with, and then you think that somehow Kapuskasing is a suburb of Timmins. Kapuskasing is a wonderful place, but it's certainly not Timmins. I say to the minister, you need a lesson in geography.

My supplemental to the minister is this: One of your cabinet colleagues, the quite bright Minister of Economic Development and Trade, the so eloquent minister we have here, said to that gathering, and I quote, any time he goes north of Highway 7 he gets a nosebleed.

Do you think that is an acceptable comment to make by a minister of the crown when it comes to visiting people in northern Ontario and discharging your duty? Do you suffer from the same affliction, sir?

**Hon William Saunderson (Minister of Economic Development, Trade and Tourism):** On a point of order, Mr Speaker: I'd like to tell the member that I did not say that and he should retract it.

**The Speaker (Hon Allan K. McLean):** The question has been asked. Minister?

**Hon Mr Palladini:** It is no wonder that Ontario finds itself in this particular fiscal state. With members like that, with their attitude on such an important day, one of the most important days in Ontario's history — the budget — these members want to talk about geography. I am very disappointed that you don't have more questions with substance. Ask a question with substance so the people of Ontario know you're doing your job. Never mind the geography lessons.

1420

#### STUDENT SAFETY

**Mr R. Gary Stewart (Peterborough):** My question today is to the Minister of Education and Training. Minister, in the past week two school bus accidents have



occurred in northern Ontario, although thankfully these incidents did not result in any serious injuries.

This raises a very serious question. Why does Ontario law demand that passengers in cars and trucks wear seatbelts, but school buses are not even equipped with them?

**Hon John Snobelen (Minister of Education and Training):** I want to thank the member for Peterborough, and I know my colleagues thank him for asking a question today in the House that's important to the people of Ontario, because bus safety is important to the people of Ontario, particularly those people who entrust their children to the care of bus drivers and bus operators every day. So I thank the member for the question.

Of course, we all know that accidents happen from time to time, and as the member has mentioned, there have been a couple of accidents recently. Fortunately, they have not resulted in serious injuries. They're particularly of concern, of course, when young children are involved. But the school bus industry in Ontario has a very proud record. I know that drivers are very proud of that safety record and so are the operators across the province. In fact, I'm told that a young person travelling in a bus is 16 times safer than they would be in a private automobile. So it's an outstanding safety record, which that industry is very, very proud of.

In answer to the member's question, Transport Canada and the Ministry of Transportation are involved ongoingly in studies and crash tests involving different configurations of school buses in order to make sure that the young people are protected. They have tested passive versus active restraint systems and they have found overwhelmingly that the passive systems are the ones that protect the children best. This means that the seats, particularly in the new buses, are designed to ensure that in an accident, in a crash, the children will be protected better than they would be in the old designs with seatbelts. I think that's an important concern and they continue to look at it.

**Mr Stewart:** Indeed the safety and health of our students is most important. Minister, I understand that provincial law differentiates, depending on the date of construction of the school bus. What is the reason for this difference?

**The Speaker (Hon Allan K. McLean):** The Minister of Transportation.

**Hon Mr Snobelen:** Mr Speaker, I think that was directed to the Minister of Education, although I'd be willing and happy to answer a transportation question if it would come here at some point.

**Mr James J. Bradley (St Catharines):** You can't answer the education ones.

**Hon Mr Snobelen:** This must be a very special day in the chamber, Mr Speaker.

The honourable member opposite has asked a very good question. In fact, the design of buses continues to be improved, so the standards that are required for school buses change as the designs are improved so that the most number of children can be protected. The bus industry is a partner in this.

Transport Canada and the Ministry of Transportation continue ongoingly to have tests and do surveys to make

sure that our buses in Ontario are the safest in North America. The Ontario School Bus Association has recently started a subcommittee of its safety committee to look at the issue of seatbelt safety on school buses and other safety-related issues, and I know my colleague the Minister of Transportation is very pleased to be represented on that subcommittee.

#### KIDNEY DIALYSIS

**Mr Frank Miclash (Kenora):** My question is to the Minister of Health. Minister, I was shocked at your statement regarding dialysis last Friday at the North-western Ontario Municipal Association annual meeting in Thunder Bay. As you were announcing that you have provided funding for expanded dialysis services in Kenora, I was sitting in the audience reading the May 2 headline in the Kenora Daily Miner and News which stated, "Dialysis Expansion On Hold, Waiting for Ministry Approval." I'd like to quote from that:

"After a Tuesday night hospital board meeting, associate executive director Randy Belair said board members are concerned because they haven't heard anything since the February announcement."

Minister, how do you justify travelling to Thunder Bay and announcing to NOMA that dialysis services in Kenora have been expanded when local hospital board members are quoted as stating that they are concerned because they haven't heard anything from your ministry since last February? Your statements and the local board's statements are at odds. Would you clarify to the House and, more importantly, to the patients and their families the statement you made at NOMA last Friday?

**Hon Jim Wilson (Minister of Health):** I certainly didn't make the statement to add confusion or anxiety to the patients or the health care providers in the Kenora district. I made it in good faith, given that I thought we had communicated with them. I will certainly check that right now and get back to the honourable member before the end of question period.

**Mr Miclash:** We have four patients who are now on a waiting list for dialysis services in Kenora. In your haste to make announcements, you're not taking into account the effect that these announcements are having on patients and their families. In your statement of last Friday, you left the impression that expanded services in Kenora were in place.

Minister, will you give this House and the patients your commitment today that your incorrect statement regarding expanded dialysis services in Kenora will stop and that you will ensure that your staff contact the hospital this afternoon to clean up this mess you have created?

**Hon Mr Wilson:** It's hardly a mess when you're putting 25 million new dollars in dialysis services across this province.

If there's a communication breakdown here, then I apologize to the member. I'm fully aware that there are people waiting. We haven't been in haste. In fact, if there was a criticism, it's taken us longer to put in the quality standards in that than I would have liked. Indeed, clinics are opening across the province and we're making the announcements just as fast as we can. I will get back to



him on the specifics of his area just as soon as I receive those specifics.

### ENVIRONMENTAL REGULATIONS

**Ms Marilyn Churley (Riverdale):** I have a question for the Minister of Environment and Energy. Minister, what role did you play in the setting of the terms of reference for the Red-Tape Review Commission?

**Hon Brenda Elliott (Minister of Environment and Energy):** I'm trying to recall — that's some work that's been done a while back. I'm not sure that I was involved in setting the guidelines for the red tape committee. Certainly we have met with the Red-Tape Review Commission from time to time and outlined what we were doing within our own ministry in this regard.

**Ms Churley:** Well, it's clear that the minister was not involved at all in the setting of the terms of reference. Your terms of reference for the regulatory review process are inconsistent with those of other provinces, like Newfoundland's and Alberta's, which your government, by the way, likes to use as shining examples you're following. Both of those include in their regulatory review process mentions of the environment and sustainable development. There is absolutely nothing in your government's terms of reference on protection of the environment and sustainable development.

I have a letter from the Canadian Institute for Environmental Law and Policy, which was sent to Mr Harris and copied to you, asking you specifically therefore to amend the terms of reference of the Red-Tape Review Commission to make explicit reference to ensuring the protection of the environment and the environmentally sustainable management of Ontario's natural resources.

Minister, will you commit to doing that today?

**Hon Mrs Elliott:** Before the red tape committee actually began its work, we had already determined that it was important to undertake a regulatory review within our own ministry. We think it's very important that any regulation we have within our ministry is timely and is effective, and that is exactly what we're doing. We're examining within our own ministry every one of our 80 regulations. We believe it's the right thing to do to provide the proper, efficient service and, most of all, the best environmental protection for this province, and we will work with the red tape committee in that regard.

### TIMBER INDUSTRY

**Mr Ernie Hardeman (Oxford):** I have a question for the Minister of Economic Development, Trade and Tourism. Mr Minister, the deal supposedly resolving the softwood lumber dispute with the United States was made on April 2, 1996. In the deal, the federal government gave in to the American demands for export controls. Has this course of action been successful in buying trade peace with the US on the issue of soft lumber exports?

**Hon William Saunderson (Minister of Economic Development, Trade and Tourism):** The issue, quite frankly, has not been well handled by the federal government. As the House probably knows, the federal government action was designed to buy trade peace with both parties. It did not, however, and I'm sorry to report that

the Americans are back at the table trying to open discussions.

The federal government has not invited the provinces to participate in the process, and the export controls will be on Canadian lumber sales to the United States. In addition, I'd just like to say that the decision on the establishment of the company-by-company quotas will be made by the federal government and not by the provinces.

1430

**Mr Hardeman:** I'm aware that in the Timmins newspaper recently it said that the province of Ontario was going to be nowhere to be seen when negotiations continued, implying that the provincial government was abandoning the industry. What is the province doing to protect the interests of Ontario's softwood producers?

**Hon Mr Saunderson:** The federal government has not even invited the provinces to participate in this, so there's nothing for us to be absent from. However, we have opposed the imposition of export controls all along in these negotiations. We did enjoy the support of the majority of the industry of Ontario, supported by the Ontario Lumber Manufacturers' Association, and that represents about 70% of the province's softwood lumber producers.

I had the chance to meet with Buchanan Forest Products last Friday on that trip up north you have referred to, and I assure the members we have the support of that company and many more companies. We will continue to oppose market-distorting export controls in all forms.

We are disappointed with the federal government's handling of this matter and we are attempting to make Ontario softwood lumber companies' concerns known to the federal government. We are doing that right now.

### NON-PROFIT HOUSING

**Mr Alvin Curling (Scarborough North):** My question is to the Minister of Housing, who feels the government should not be in housing. Your government has shown what it is about in the last year. They are cutting services and giving a tax cut to the wealthiest in this province. The Minister of Housing himself is creating homelessness in this province. There are seniors and people with disabilities with special housing needs who are now facing an uncertain future and possible eviction due to the Minister of Housing's comments that he's getting out of the housing business and wants to sell off Ontario Housing Corp units. Is it the intention to sell off the stock owned by Ontario Housing? Will the minister disclose his intention to the House today?

**Hon Al Leach (Minister of Municipal Affairs and Housing):** It is outlined in the Common Sense Revolution that we would prefer to get out of the housing business and provide subsidies to those who need them rather than subsidize bricks and mortar. The people who are causing the fear and concern among the seniors and elderly in our society, people who should have some reassurance, are the members across who continually go out and tell people we're selling it off tomorrow. We know we can't do that. You know we're involved with the federal government, with the municipal government, and anything we do with OHC has to be worked out with all of



those. I might also add that the Liberal Party in Ottawa also wants to get out of the non-profit housing business.

**Mr Curling:** It is not this party that has cancelled rent control. It is not this party that has cancelled all the affordable non-profit housing to be constructed. You are the ones creating all the fear within the people — not us, you.

On behalf of those who are living now in those homes that you are trying to sell off and get rid of to the private sector, will the units the Minister of Housing intends to sell off remain rent-subsidized or will those rents be part of the free market system you talk about? It is especially important to know this because we're talking quite freely about rent control being on the table to cut out. Tenants in Ontario Housing Corp units are justifiably worried about the future. Will the units you intend to sell remain rent-subsidized at the current level you speak about?

**Hon Mr Leach:** As I think every member of this House knows, the issue we're dealing with is extremely complex. We're working with people in the housing business — landlords and tenants — to ensure that whatever we do is in their best interests, but we don't intend to take any action until we're fully convinced that most vulnerable citizens will not be hurt.

#### EMPLOYMENT EQUITY

**Mr Rosario Marchese (Fort York):** My question is to the Minister of Citizenship, Culture and Recreation. You funded a study, and it clearly was on the issue of discrimination as it relates to the Chinese community. The study has found that "Four out of 10 Chinese Canadians in Metro have encountered at least one incident of discrimination in the mainstream workforce." It found as well that "The poorer their English, the more likely they are to experience discrimination." Further, the study finds "unfair work assignments or assessments because of ethnocultural background; racist remarks; being treated differently by bosses; being bypassed for promotions." Further, the study finds "unfair performance appraisals...isolation from workers and bosses and lack of recognition and reward for a job well done."

For me, it's quite clear what the study has found, and it's clear that discrimination continues to happen in the workplace to people of colour. Can you tell us what you've learned from this study?

**Hon Marilyn Mushinski (Minister of Citizenship, Culture and Recreation):** Indeed, that particular study was funded by my ministry and initiated by the previous administration.

What I can say, first of all, is that discrimination is against the law in this province. We believe that with a new equal opportunity plan and with reform of the Ontario Human Rights Commission and the Human Rights Code, we will be able to deal much more effectively with discrimination in the workplace.

**Mr Marchese:** I'm afraid, and I'm sorry to tell you, that you have very little credibility on this issue — you or your government.

Let me tell you the list of the things you've done, because you've taken away all of the tools that would have helped to deal with discrimination: You have taken

away the Ontario Anti-Racism Secretariat; you have eliminated five welcome houses; you have eliminated employment equity; you took 750,000 complete dollars that dealt with English as a second language; you have also taken \$600,000 from the Human Rights Commission.

I am not quite clear what in heaven's name you are doing. Frankly, I would like to ask you, because I think the Chinese community would like to know, what exactly does this reform of the Human Rights Commission entail, and secondly, could you explain to the public what this equal opportunity plan means?

**Hon Ms Mushinski:** First of all, let me set the record straight about the funding issue of the Ontario Human Rights Commission. In 1991-92, the province of Ontario, under the member's government, spent \$14.1 million, and this budget included a special caseload reduction initiative. The caseload stood at 2,840. Today, in 1995-96, the budget is \$11.3 million, and after that reduction, the budget will be \$10.6 million. The caseload, as of February 1996, was 2,784. So clearly, to throw more money into the Ontario Human Rights Commission obviously isn't going to reduce the caseload.

#### FARM SAFETY

**Mr Gary Fox (Prince Edward-Lennox-South Hastings):** My question is to the Honourable Noble Villeneuve. Despite his best efforts, the Minister of Agriculture, Food and Rural Affairs hasn't been able to resolve the problem of a late spring for farmers. However, we remain optimistic that farmers will soon be working on their fields.

Unfortunately, field work can be hazardous, particularly when farmers are off to a late start. Farmers are under great pressure to get on the land quickly. I wonder if the minister could tell me what is being done to improve the safety of Ontario farmers and their employees.

**Hon Noble Villeneuve (Minister of Agriculture, Food and Rural Affairs, minister responsible for francophone affairs):** I'm not sure I can take credit or blame for the weather. I did discuss it with the Minister of Environment and Energy. The fact that there are no interprovincial barriers, we leave it to a higher authority to decide.

On farm safety, a very important subject at this time of year when farmers are working very long hours in the fields — Mr Speaker, I need not tell you; you've experienced that — we have the Ontario Farm Safety Association, a recognized leader and a lead agency, which is being funded by the Workers' Compensation Board, along with funds from the Ministry of Agriculture, Food and Rural Affairs.

1440

The Ministry of Agriculture, Food and Rural Affairs is indeed providing \$100,000 to the Ontario Farm Safety Association, which has initiated a number of new initiatives, including a safety program aimed at new and inexperienced farm workers — and we have some of those this year because of buoyant grain prices — the child safety program, which has attracted several private investors; slow-moving vehicle awareness signs etc. The Ontario Farm Safety Association is indeed fulfilling a real need for safety on our farms in Ontario.



**Mr Fox:** Could the minister tell me how effective these safety programs are? Are we seeing any benefit for our dollars spent?

**Hon Mr Villeneuve:** The Ontario Farm Safety Association has just released the most recent statistics for 1995, and we've shown a 21% decrease in accidents across Ontario. The Ministry of Agriculture, Food and Rural Affairs has been a major sponsor of farm safety associations, child safety campaigns, and has built safety awareness in and within farm families. It has been a successful campaign and I'm happy to say that there has been a continual drop in farm fatalities and farm accidents. I can assure my colleagues in this Legislature that the Ministry of Agriculture, Food and Rural Affairs will maintain its strong support for farm safety across Ontario.

#### FAMILY SUPPORT PLAN

**Mr Michael Gravelle (Port Arthur):** My question is to the Attorney General. Mr Minister, in this House on January 29 you indicated that your government had not made any decision regarding the future of the family support plan, though reports at the time suggested you were contemplating closure of regional offices across the province including offices in Thunder Bay, Sudbury, Windsor, Ottawa, Whitby and Hamilton, and the centralization of services here in Toronto. Since then I, along with members of my caucus, have sent letters and petitions your way asking you to rethink plans to close those offices.

While this minister might believe that greater compliance could be achieved through centralization, I would argue that in the case of northwestern Ontario, how does the minister reasonably think that greater compliance is possible from 1,500 miles away, especially when in the case of the Thunder Bay regional office high compliance rates already exist and the plan recovers hundreds of thousands of dollars in social services money? We've urged the minister to work with the front-line people at the family support plan to devise new mechanisms or tools that would help you do this.

Has the minister attended any formal process of consultation with family support plan workers and has the minister made any decision regarding the future of this plan?

**Hon Charles Harnick (Attorney General, minister responsible for native affairs):** We are reviewing the family support plan in an effort to develop a system that will provide better service to those who need to use the plan and, in addition, we are looking at ways to ensure better enforcement of court orders to ensure that primarily children are being properly dealt with by the family support plan and that the moneys that are owing are indeed collected. That is what we are dedicated to doing and we are looking at all of the options in order to make that successful.

**Mr Gravelle:** It's insulting to have the minister continue to waffle on this decision. This is a program that works. People's lives are hanging in the balance; not just the staff members who maybe will be losing their jobs but the custodial and non-custodial parents who support this plan.

Minister, we've been informed that despite no compelling proof that guarantees a centralized operation will produce higher rates of compliance, you've instructed your staff to scout out potential new office space for that centralized operation in Etobicoke and Mississauga. Will you confirm that you're looking for new office space in the Metro Toronto area, or will you do the right thing and abandon this centralization plan and work with those who can help you improve the existing system?

**Hon Mr Harnick:** I say to the member that I am not aware about whether the family support plan is looking for any office space. What I can tell the member is this, and I want to be very clear to the member: We now have in the province of Ontario \$900 million outstanding in family support payments. I am saying to the member that if that is a measure of success of the family support plan, then we had better do better.

I am committed to finding better ways to collect that money so that it can be used for children primarily who are doing without, and the family support plan and the status quo that now supports it is not good enough. There is \$900 million outstanding, primarily to go to children, and if we keep the plan the way it is now, that amount of money will continue to escalate. I am committed, as are those who work in the family support plan, to ensuring better enforceability of court orders and also to ensuring better customer service for those who use the plan.

#### FOREST MANAGEMENT

**Ms Shelley Martel (Sudbury East):** I have a question to the Minister of Natural Resources. Minister, on April 12, the day after the draft business plans for ministries were released by the Chair of Management Board, your ministry sent to me a document entitled Questions and Answers Pertaining to the Restructuring Announcement. On page 6, under the question, "What responsibilities is MNR transferring to clients and partners?" it says: "The MNR plans to transfer a number of responsibilities, along with the cost, to clients and partners. These will be activities that are appropriate for the private sector or others to assume. They include forest management planning, forest operations, including harvesting, renewal, and also self-compliance."

Minister, can you tell me what that means?

**Hon Chris Hodgson (Minister of Natural Resources, Northern Development and Mines):** It is outlined in our forest management business plan. The transition's been taking place for a number of years, and this is the culmination of that. It's done under the auspices of Bill 171, the Crown Forest Sustainability Act, where it's recognized that the industry would pick up more of the cost of harvesting wood on crown lands. That's part of that plan.

**Ms Martel:** My understanding of self-compliance would be that you are now turning over to the private sector all of the responsibility for monitoring, all of the responsibility for compliance around regeneration, reforestation and also cutting.

We know, for example, in a report that was done by a consultant for your ministry, that this doesn't work. We've got a particular example of the Lac Seul forest,



which is managed by McKenzie Forest Products. Your own consultant said: "The large discrepancy between harvest and regeneration activities reflects poor planning and poor implementation of regeneration strategies. The committee interprets this as a pursuit of short-term profits at the expense of long-term sustainability."

Minister, in the light of this evidence, which is very compelling, why would you ever hand over self-compliance issues to the private sector and put forest sustainability at risk in this province?

**Hon Mr Hodgson:** I think everyone would agree with what my colleague from the third party brings up, and the study that you refer to was done under the old system. We're going to bring in a system that has reverse onus, independent audits. There will be monitoring of compliance, and we want to make sure that doesn't happen again in the future, the Lac Seul type of reports that come out.

I might also state that under the bill, the state of the crown forests has to be reported to the Legislature each year, and I think you'd join me in trying to make this system a better one to work on to make sure our forests are there for future generations.

**The Speaker (Hon Allan K. McLean):** The time for oral question period has expired.

**Ms Marilyn Churley (Riverdale):** On a point of order, Mr Speaker: I would like to ask for unanimous consent for the member for Etobicoke West to ask his question. I think it's an important one.

**The Speaker:** Do we have unanimous consent?

*Interjections.*

**Mr Gilles Bisson (Cochrane South):** The Tories said no.

**The Speaker:** Order. Motions? Point of order?

#### NOTICE OF DISSATISFACTION

**Mr Gilles Bisson (Cochrane South):** Mr Speaker, I'd like to file dissatisfaction to the response I had from the Minister of Transportation, and I will be asking for a late show.

*Interjections.*

**The Speaker (Hon Allan K. McLean):** Order. I didn't hear what the member had said. Would the member for Cochrane South repeat what he said, please.

**Mr Bisson:** I would like to file notice that I'm not satisfied with the answer from the Minister of Transportation and I'm filing a late show.

**The Speaker:** Member for Oriole.

**Mrs Elinor Caplan (Oriole):** Under section 34(a), Mr Speaker, which is a request for what has just been referred to as a late show — it's when a member is not satisfied with the response to an oral question — I seek some assistance from you, Mr Speaker, because I would like to register my displeasure and concern about a response from the Minister of Health. It was yesterday, and I refer to the Hansard on page 2768, where the minister said that chiropractic was not an insured service.

**The Speaker:** That's fine.

**Mrs Caplan:** The problem, Mr Speaker, is that I asked that question yesterday, and the minister gave erroneous and different information today in response to a question.

I asked a question of the minister today on a different subject and I'd like to know if I can file —

**The Speaker:** Order. Yes, the member can apply today for Thursday; the member cannot file a request for a question that was asked yesterday, but she could file a request under 34(a) for the answer that was given today, if that's what the member would wish to do.

**Mrs Caplan:** I would seek your guidance, Mr Speaker. If I file today, does it have to be on the substance of the question that I asked today? Is there any recourse under the standing orders for the minister to correct the record today based on statements he made yesterday, which were obviously incorrect, which I pointed out to him?

**The Speaker:** There's nothing under the standing orders that allows you to do that.

**Mrs Caplan:** How can you get a minister to correct the record?

**The Speaker:** The answer, I guess, is that you can't, but you could ask the same question tomorrow.

1450

#### PETITIONS

##### COLLEGE OF TEACHERS

**Mr Alvin Curling (Scarborough North):** I have a petition to the Ontario Legislature.

"Whereas the public secondary teachers of Ontario have taken a workplace democracy vote in accordance with Bill 7 and have rejected the proposed College of Teachers by a 94.8% vote;

"We, the undersigned, urge the provincial assembly to instruct the government to withdraw Bill 31, the Ontario College of Teachers Act, 1995."

I affix my signature to the rest who have signed this petition.

##### TAX REDUCTION

**Mr Derwyn Shea (High Park-Swansea):** I am very pleased once again to present a petition to the Legislative Assembly dealing with the tax cut.

"We, the undersigned, petition the Legislative Assembly of Ontario to proceed as quickly as possible with legislation to reduce our provincial tax rates as promised during the last provincial election, and we call on all members of the Parliament of Ontario to support the government in its promise to reduce provincial income tax rates in Ontario."

I am very pleased to affix my name thereto.

**Mr James J. Bradley (St Catharines):** I have a petition to members of the Legislative Assembly of Ontario.

"Whereas the proposed income tax cut referred to in the Conservative campaign document known as the Common Sense Revolution will necessitate drastic and rapid cuts to important services to the people of Ontario; and

"Whereas the proposed tax cut will shift the tax obligation for the people of Ontario from the progressive income tax, which takes into account a person's ability to

pay, to the regressive property taxes and user fees, which do not take into account an individual's ability to pay and are most onerous for people with modest incomes; and

"Whereas the proposed income tax will benefit the most wealthy and privileged in our society and deny the provincial government revenue to maintain a high-quality health care and education system and other essential services; and

"Whereas the government of Ontario will have to borrow over \$20 billion to finance the proposed tax cut and will add over \$20 billion to the provincial debt in doing so;

"We, the undersigned, petition the government of Ontario to postpone its 30% income tax cut until such time as the provincial budget is balanced and the deficit no longer exists."

#### RENT REGULATION

**Mr Gilles Bisson (Cochrane South):** I have here a petition, this time from the good people of Moss Park, in regard to rent control. It reads as follows:

"Whereas the Mike Harris Conservative government of Ontario is planning to destroy the present system of rent control;

"Whereas Mike Harris and the Conservative Party made no mention of scrapping rent control during the election campaign of 1995;

"Whereas a number of Conservative candidates in ridings with high tenant populations campaigned during the 1995 election on a platform to protect the current rent control system" — imagine that;

"Whereas the government has consulted with special-interest groups representing landlords and developers while cutting funding to organizations representing the 3.5 million tenants of Ontario;

"Whereas although all renters will suffer, seniors and others on fixed incomes will suffer particular hardship if rent controls are abolished;

"Therefore we, the undersigned, call upon the Legislative Assembly of Ontario to stop the attack on the 3.5 million tenants of this province and not to scrap rent control."

#### TAX REDUCTION

**Mrs Margaret Marland (Mississauga South):** I rise to table a petition which reads as follows:

"To the Legislative Assembly of Ontario:

"We, the undersigned, request that the Legislature of Ontario not approve any tax cuts until the causes of poverty and unemployment in Ontario are dealt with effectively and until the province's debt and deficit are paid down."

#### NORTH YORK BRANSON HOSPITAL

**Mr Monte Kwinter (Wilson Heights):** I have a petition to the Legislative Assembly of Ontario.

"Whereas the final report of the Metropolitan Toronto District Health Council hospital restructuring committee has recommended that North York Branson Hospital merge with York-Finch hospital;

"Whereas this recommendation will remove emergency and inpatient services currently provided by North York Branson Hospital, which will seriously jeopardize medical care and the quality of health for the growing population which the hospital serves, many being elderly people who in numerous cases require treatment for life-threatening medical conditions;

"We petition the Legislative Assembly of Ontario to reject the recommendation contained within the final report of the Metropolitan Toronto District Health Council hospital restructuring committee as it pertains to North York Branson Hospital, so that it retains, at minimum, emergency and inpatient services."

I have affixed my signature.

#### CERMINARA BOYS' HOME

**Mr Peter Kormos (Welland-Thorold):** I have a petition to the Legislative Assembly of Ontario regarding the Cerminara Boys' Home.

"Whereas OPSEU Local 214, which is the OPSEU local of Cerminara Boys Home Inc, an open-custody facility for young offenders, has been on strike since March 28, 1996, and the employer was using untrained replacement workers, thereby jeopardizing the health and safety of the adolescents; and

"Whereas a ministry review found serious financial discrepancies with taxpayers' dollars for the year 1994 alone;

"Therefore, the undersigned, petition the Legislative Assembly of Ontario as follows:

"That the Minister of Community and Social Services remove these young residents from the facility until the labour dispute is settled, the recommendations from the review are implemented and an extensive financial review is undertaken for years prior to 1994."

That's signed by Judie Davies of Niagara Falls, Wendy Holman of Niagara Falls and a whole lot of other people. I've signed it as well.

#### GOVERNMENT ADVERTISING

**Mr James J. Bradley (St Catharines):** I have a petition from a number of people in the province that reads as follows:

"Whereas the people of Ontario are being subjected to the most drastic reductions in services in the history of the province; and

"Whereas the Premier has required that the people of this province pay higher user fees and property taxes; and

"Whereas the Premier and his ministers have preached restraint to all who have requested funding from the provincial government;

"We, the undersigned, request that the government of Ontario not embark upon an advertising campaign using taxpayers' dollars and designed to sell the Ontario budget to the people of this province."

I affix my signature to this petition as I am in full agreement with it.

#### JUNIOR KINDERGARTEN

**Mrs Elinor Caplan (Oriole):** I have a petition that reads as follows:



"Whereas the Conservative government's stated plan in the Common Sense Revolution is to improve the long-term economic prospects for Ontario; and

"Whereas research from all over the world shows early childhood education leads to lower dropout rates; improved reading, math and language skills; less chance of future unemployment, teen pregnancy or delinquency; and higher enrolment in post-secondary education, thus resulting in a better, highly educated workforce; and

"Whereas this Conservative government states it is committed to ensuring a larger share of the education dollar goes to the classroom; and

"Whereas this Conservative government fully expects boards to meet transfer reductions by cutting costs outside the classroom; and

"Whereas this Conservative government has made junior kindergarten a matter of choice for local school boards and has reduced the funding for junior kindergarten;

"Therefore, to ensure this Conservative government meets its stated commitments in regard to education and to Ontario,

"We, the undersigned, call on the Minister of Finance and the Minister of Education and Training to restore the funding of junior kindergarten to its previous level and require all school boards to offer junior kindergarten classes."

I add my signature to this petition.

1500

#### LIQUOR CONTROL BOARD OF ONTARIO

**Mr James J. Bradley (St Catharines):** "Whereas the government of Ontario appears to be moving towards the privatization of retail liquor and spirit sales in the province; and

"Whereas the LCBO provides a safe, secure and controlled way of retailing alcoholic beverages; and

"Whereas the LCBO provides the best method of restricting the sale of liquor to minors in Ontario; and

"Whereas the LCBO has an excellent program of quality control of the products sold in its stores; and

"Whereas the LCBO provides a wide selection of product to its customers in modern, convenient stores; and

"Whereas the LCBO has moved forward with the times, sensitive to the needs of its customers and its clients; and

"Whereas the LCBO is an important instrument for the promotion and sale of Ontario wine and thereby contributes immensely to the grape-growing and wine production industry;

"Therefore, be it resolved that the government of Ontario abandon its plan to turn the sale of liquor and spirits over to private liquor stores and retain the LCBO for this purpose."

I affix my signature to this petition as I'm in agreement and I give it to Brad Hammond from St Catharines-Brock.

#### HEALTH CARE

**Mr Dominic Agostino (Hamilton East):** "To the Legislative Assembly of Ontario:

"Whereas the Common Sense Revolution states that a Conservative government 'will not cut health care'; and

"Whereas during the 1995 election campaign, the Conservatives clearly promised to defend the health care system by protecting ministry funding, stating in a campaign backgrounder, 'There will be no cut to health care funding by a Harris government,' and calling this their first and most important commitment;

"Therefore, we, the undersigned, call on the Minister of Health to reject all recommendations put forward by the Hamilton Health Task Force related to any hospital closures in Hamilton-Wentworth, and in particular St Joseph's Hospital, 50 Charlton Avenue East, Hamilton, Ontario."

I sign my name to this petition.

#### GOVERNMENT ADVERTISING

**Mrs Elinor Caplan (Oriole):** I have a petition that reads as follows:

"Whereas the people of Ontario are being subjected to the most drastic reductions in services in the history of the province; and

"Whereas the Premier has required that the people of the province pay higher user fees and property taxes; and

"Whereas the Premier and his ministers have preached restraint to all who have requested funding from the provincial government;

"We, the undersigned, request that the government of Ontario not embark upon an advertising campaign using taxpayers' dollars and designed to sell the Ontario budget to the people of the province."

I affix my signature to this important petition.

#### JUNIOR KINDERGARTEN

**Mr James J. Bradley (St Catharines):** I have a petition from a large number of people who are concerned about junior kindergarten. It reads as follows:

"Whereas this Conservative government's stated plan in the Common Sense Revolution is to improve the long-term economic prospects for Ontario; and

"Whereas research from all over the world shows early childhood education leads to lower dropout rates, improved reading, math and language skills, less chance of future unemployment, teen pregnancy or delinquency and higher enrolment in post-secondary education, thus resulting in a better educated, highly skilled workforce; and

"Whereas this Conservative government states it is committed to ensuring a larger share of the education dollar goes to the classroom; and

"Whereas this Conservative government fully expects boards to meet transfer reductions by cutting costs outside the classroom; and

"Whereas the Conservative government has made junior kindergarten a matter of choice for local school boards and has reduced the funding for junior kindergarten;

"Therefore, to ensure this Conservative government meets its stated economic commitments in regard to education and to Ontario,

"We, the undersigned, call on the Minister of Finance and the Minister of Education and Training to restore the funding of junior kindergarten to its previous level and require all school boards to offer junior kindergarten classes."

### TAX REDUCTION

**Mrs Elinor Caplan (Oriole):** I have a petition to the members of the Legislative Assembly of Ontario:

"Whereas the proposed income tax cut referred to in the Conservative campaign document known as the Common Sense Revolution will necessitate drastic and rapid cuts to important services to the people of Ontario; and

"Whereas the proposed tax cut will shift the tax obligation for the people of Ontario from progressive income tax, which takes into account a person's ability to pay, to regressive property taxes and user fees, which do not take into account an individual's ability to pay, and are most onerous for people with modest incomes; and

"Whereas the proposed income tax cut will benefit the most wealthy and privileged in our society and deny the provincial government revenue to maintain high-quality health care and education systems and other essential services; and

"Whereas the government of Ontario will have to borrow over \$20 billion to finance the proposed tax cut and will add over \$20 billion to the provincial debt in doing so;

"We, the undersigned, petition the government of Ontario to postpone its 30% income tax cut until such time as the provincial budget is balanced and the deficit no longer exists."

I add my signature to this worthwhile petition.

### ALZHEIMER RESPITE CARE

**Mr James J. Bradley (St Catharines):** I have a petition addressed to the Honourable Lieutenant Governor and the Legislative Assembly of Ontario. It reads as follows:

"Whereas the Niagara region has one of the highest per capita populations of seniors in Ontario; and

"Whereas the Niagara region ranks 32nd out of 38 health regions in long-term-care funding and that more individuals wait for support services from the March of Dimes than those who actually are served by it; and

"Whereas Alzheimer patients who critically depend on support services in order to cope in a more humane way with this devastating illness continue to suffer from unacceptable delays in receiving respite care; and

"Whereas more than half of all Ontario families waiting for Alzheimer-related respite care reside in the Niagara area;

"We, the following undersigned citizens of Ontario, beg leave to petition the Parliament of Ontario to adopt the plan by the Niagara Regional District Health Council which would help improve the way vulnerable people are treated in the Niagara area."

I affix my signature to this petition.

**The Speaker (Hon Allan K. McLean):** The time for petitions has expired.

**Hon David Johnson (Chair of the Management Board of Cabinet):** I would ask for unanimous consent to suspend the proceedings until 4 pm today.

**The Speaker:** Do we have unanimous consent? Agreed.

I will cause the bells to ring at five minutes to 4 in order to call in the members.

*The House recessed from 1508 to 1600.*

### ORDERS OF THE DAY

#### 1996 ONTARIO BUDGET

**Hon Ernie L. Eves (Deputy Premier, Minister of Finance and Government House Leader):** Government notice of motion number 6.

**Clerk Assistant and Clerk of Committees (Ms Deborah Deller):** Government notice of motion number 6, Mr Eves.

**Hon Mr Eves:** Mr Speaker, I move, seconded by Mr Harris, that this House approves in general the budgetary policy of the government.

**The Speaker (Hon Allan K. McLean):** I'd like to ask the indulgence of the House as the pages deliver the budget. Is there any member that has not received a copy?

**Hon Mr Eves:** I am honoured to present our government's first budget.

It is a budget for the people of Ontario. It is a budget that reflects what we have heard from the people of Ontario.

It is about hope and opportunity.

The people of Ontario want to know that tomorrow will be better than today — for themselves, and for their children. The people of Ontario want jobs. They want action to get more people working, stimulate investment, provide them with greater opportunity and reward them for their initiative.

This budget is yet another step in carrying out the commitments of the Common Sense Revolution. It is based on discussions with people from all parts of Ontario and all walks of life.

The budget I am presenting today:

— Leaves more money in the hands of hardworking Ontarians who have endured 65 tax increases in the past decade;

— Invests in programs that are a priority for Ontarians such as health care, classroom education and community safety;

— Reduces the size and cost of government;

— Spends taxpayers' dollars more wisely; and

— Builds a better future for ourselves and future generations.

Cutting taxes is a key part of our plan to achieve these goals.

The tax cuts I am announcing today will prove a simple truth: The best job creation program is a tax cut for every single Ontario taxpayer.

*Interruption.*

**The Speaker:** If I could have the indulgence of the House, the people in the audience must refrain from applauding.



**Hon Mr Eves:** These tax cuts will create jobs in four ways.

First: They will put extra money in Ontarians' pockets. Men and women across the province will be able to make purchases they have been putting off for themselves and their families. That creates jobs.

Second: Families who have been struggling to get by and going into debt will be able to pay off their debts sooner. That increases their net worth, increases their future purchasing power and increases the pool of savings available for new investment. That creates jobs.

Third: Lower taxes will provide more incentive for entrepreneurs to form small businesses and for existing business owners to reinvest — and that creates jobs.

Fourth: People with specialized skills will have an extra incentive to choose Ontario as a place to live and work, helping to build industries that can compete worldwide, and that too creates jobs.

Today's budget sets a direction for the government of Ontario. It carries out the changes the people of Ontario asked us to make to deal with the problems we all face.

We live in a province whose potential is unlimited. We have skilled and hardworking people, abundant resources, innovative entrepreneurs. We have every reason to expect a future that is better than today — with better jobs, greater prosperity, a better life for ourselves and real hope and opportunity for our children.

But we can't get there with the size of government that's been built up over the years. Government is bigger and more costly than it needs to be.

The cost of big government burdens the people of this province with high taxes and high deficits that hold down their standard of living. These high taxes are stifling the new and growing businesses that will be the source of tomorrow's jobs.

As a province we face a choice. We can continue on the track that governments have pursued for over a decade — with uncontrolled spending, spiralling taxes and ever-mounting deficits. Or we can take a new direction — a direction that unleashes the job-creating potential of our economy by lifting the heavy yoke of inefficient government and high taxes.

Last June the people of Ontario, who did have other choices, indicated clearly that they want us to take this new direction. They want their government to do what is needed to ensure a better future for themselves and their children.

They want to see the burden of public debt on the economy reduced. That means eliminating the deficit and laying the groundwork to reduce the debt. It also means cutting taxes and taking actions that will strengthen economic growth.

They want their government to balance the budget and to spend their tax dollars wisely.

They want a more efficient government that focuses on services that matter to them most: a health care system whose quality is unsurpassed, classrooms where our children receive an excellent education, and law enforcement that keeps our communities safe.

They want an environment where businesses can create jobs and opportunities here at home while competing for markets around the world.

And they want their government to create jobs by cutting taxes — leaving more dollars in taxpayers' pockets, encouraging investment and initiative, and creating opportunities for Ontarians.

This budget will help secure the kind of future Ontarians want. In preparing it, I have had the help and advice of hundreds of Ontarians who wrote me, who met me at pre-budget consultations, who appeared before the standing committee on finance and economic affairs or who provided their counsel through their local MPP. I have considered their advice carefully and I thank them for their contributions.

I also want to thank Ada Lee from Jesse Ketchum public school in Toronto, who provided the artwork for the back cover of the budget. I am pleased to welcome Ada in the Legislature today. Ada is seated in the Speaker's gallery. Thank you, Ada.

1610

In addition, I want to express my appreciation to the outstanding staff of the Ministry of Finance, led by Deputy Minister Michael Gourley, to my personal staff, and to my wife Vicki and daughter Natalie for their support and understanding.

I would be remiss at this point if I didn't mention my mother. You know, we all have families that keep us somewhat humble and remind us every now and then that there are other people who do things in this world, which we kind of tend to forget from time to time in this chamber. A few months ago, I was going to meet my mother at 1:30 in the afternoon in Burlington to take her to her local bank to meet with a local senior loans adviser. I phoned her from my office at Queen's Park and said: "You know, I don't know if I can get out of here before 1 o'clock, Mom, so I don't think I'm going to be able to make the 1:30 meeting. Perhaps you could change the time." She said: "Ernie, I can't change the time. This woman we're meeting is important, you know." That's common sense.

Never in our province's history has the need for action been so clear and so urgent. That's why our government has moved so quickly to fulfil so many of our commitments.

My colleagues and I took office following governments that had been taxing and spending Ontario in the wrong direction. And the people of Ontario felt those costs all too dearly.

When a province of skilled and hardworking men and women goes for six years with no new net jobs, that's the wrong direction.

When people who pay their bills each month see their government spending a million dollars an hour more than it takes in, that's the wrong direction.

When people who work hard to save for the future see that future imperiled with their government's debt tripling in 10 years, that's the wrong direction.

And when people who have made sacrifices in their own lives to adapt to difficult times see their government reach deeper and deeper into their pockets, with 65 tax increases in the past 10 years, that too is the wrong direction.

After years of seeing their leaders go in the wrong direction, the people of Ontario asked us to chart a new course, and we are doing just that.



Our government is delivering on its commitments and it is building a better tomorrow for Ontarians.

Since taking office, our government has moved quickly to set a new direction with respect to the province's finances.

We have made a commitment to balance the budget in the fiscal year 2000-01. We are on track to do that.

In June, we faced a deficit of \$11.2 billion for 1995-96. I said last summer that by acting quickly to start bringing our expenditures under control, we could reduce that figure. I am pleased to tell Ontarians today that we met our deficit target of \$9.3 billion, and in fact improved upon it. Our deficit for the fiscal year just ended is \$9.1 billion.

We set our targets and we met them. In my opinion, that's what Ontarians should be hearing on budget day. Meeting our targets should be the norm rather than the exception.

This year, we expect to meet our deficit target again. Our deficit will fall to \$8.2 billion. That's a drop of \$3 billion, or 27%, since we took office.

Our government's deficit figures are based on cautious and prudent economic projections. They include a contingency reserve in case the economy performs below those projections.

Restructuring government and changing the way services are delivered will require upfront investment. This budget provides a restructuring fund of \$900 million. This fund will allow for investments that support restructuring efforts and will cover the one-time costs associated with them.

Our fiscal plan is based on realistic and credible financial reporting practices that were recommended to the government by the Ontario Financial Review Commission. We have put an end to the former government's practice of keeping "two sets of books." Their approach was to paper over the problem — our approach is to fix it.

In keeping with our practice of open financial reporting, I am releasing with today's budget more than 150 pages of financial and economic information, so that all Ontarians can see the province's financial situation and outlook. This includes a report on Ontario's financing, the first time this report has been presented with the budget.

Recently I met with students from Mattawa public school in my riding. Two students from that school, Chelsea and Samantha Smith, who are six and five years old, gave me \$21.97 from their savings. They asked me to use their money to pay the province's bills and help reduce the deficit.

I am creating a special fund to accommodate their wishes.

It's not fair to saddle our children with the high cost of paying interest on all the debt that has been built up in the past. They deserve a better future than that. Eliminating the deficit today means more opportunities for young people like Chelsea and Samantha tomorrow.

Chelsea and Samantha, along with their parents, Tim and Barbara Smith, are in the Speaker's gallery today. I would ask all members to join with me in both thanking and welcoming them here today.

Officially this fund will be known as the Ontario opportunities fund. But for me it will always be the Chelsea and Samantha fund. To their first contributions we will be adding more:

We will add donations from any Ontarian who wishes to contribute. I believe, from what people have told me, that Chelsea and Samantha are not alone in their desire to help pay down the province's deficit. To give them an easy way to do so, we are working with the federal government to make it possible for Ontarians who wish to do so to donate their income tax refund each year, simply by checking a box on their tax return. I am grateful to Mr Ted Arnott, the member for Wellington, for proposing this idea.

To this fund, we will also add the proceeds from any major asset or enterprise sale that the province enters into.

We will add each year any funds that remain once we have met our deficit target. We won't rush out, as other governments have done at year-end, and spend the money — we will put it in this fund.

At the end of each year we will use the balance in the Ontario opportunities fund to reduce the deficit and the debt of the province.

The Ontario opportunities fund will allow us to cut the deficit, reduce our foreign borrowing, and reduce the growth in interest costs. Once the budget is balanced, it will allow us to begin paying off the debt. That day is less than five years away.

To give as many people as possible an additional opportunity to invest in their province and build a better Ontario, the government will be offering Ontario savings bonds from June 1 to June 17. This year, there will be two options to suit investors' needs: a step-up bond where the rates improve every year, and a variable rate bond where new, competitive rates are set every six months. Both bonds will be eligible for registered retirement savings plans and are fully backed by the province.

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Buying Ontario savings bonds means that we can reduce our reliance on international lenders, at the same time ensuring that more of the government's interest payments will go to Ontarians.

The people of Ontario expect their government to live within its means. To eliminate the deficit, we are finding savings in every area of government activity. The government is making the same difficult decisions and adjustments that we have all had to make at home and at work in our everyday lives.

These actions make it possible to invest in the priorities that Ontarians expect their government to deliver: a universal and comprehensive health care system, an excellent education for our children, and law enforcement to keep our communities safe.

We have not yet finished the job. But look at what we have already accomplished:

We have passed legislation to reform MPPs' compensation, get rid of hidden tax-free allowances, abolish the gold-plated pension plan. The legislation cuts MPPs' pay by a further 5%. No consideration will be given to changing that level of compensation until the budget is balanced.



We are reforming our welfare system. The most recent data show that the number of people depending on social assistance has fallen for nine consecutive months and was 129,700 persons lower in March than last June, a drop of 9.6%. We have brought our welfare rates back into line with other provinces, and we have taken a hard line against fraud and abuse. Later this year, the Minister of Community and Social Services, the Honourable David Tsubouchi, will announce a work-for-welfare program designed to help people move off welfare and back into the workforce.

We have protected income support for seniors and persons with disabilities. Our government will announce plans to move seniors and people with disabilities off welfare and on to an Ontario guaranteed support plan that meets their needs, respects their dignity, and continues to protect their benefits.

Under the direction of the Chair of Management Board, the Honourable David Johnson, we have stopped spending taxpayers' dollars on programs that did not make sense. We cancelled spending for conversion of private sector child care spaces into non-profit spaces, a program that cost Ontario taxpayers \$52 million without creating one solitary new space for Ontario's children. We cancelled the Jobs Ontario Community Action program, which had been criticized extensively by the Provincial Auditor. We terminated the Interim Waste Authority, which spent millions of dollars of our money — taxpayers' money — without establishing one single site for municipal waste disposal.

We are tackling the cost of government administration. We have already identified \$200 million in savings. That puts us about two thirds of our way to our target of cutting administration costs by 33% by the end of 1997-98.

We have found savings of \$500 million in the way government delivers and operates its programs. That puts us about halfway towards our target of reducing spending by 33% by the end of 1997-98.

We have found savings of over \$80 million by requiring agencies, boards and commissions to operate more efficiently. These actions put us over a third of the way towards our target of reducing spending by 28% by the end of 1997-98. The government Task Force on Agencies, Boards and Commissions, chaired by Mr Bob Wood, the member for London South, is working hard to find additional savings in this area.

We have already identified \$700 million in savings in government grants, putting us halfway towards our target of reducing spending by 28% by the end of the year 1997-98.

We are managing the government's financial assets better. Starting this year the province's borrowing authority, the Ontario Financing Authority, will take responsibility for borrowing, investing, cash management and other financial activities of a number of ministries and crown agencies that until now have carried out their own financial management. This will mean less duplication, greater efficiency, and lower overall borrowing costs that ultimately will save taxpayers money.

As Premier Harris has said, we are committed to finding the best way to deliver government services.

Taxpayers' dollars now fund many different activities that could be better run by the private sector or by private-public partnerships. We will be seeking ways to refocus the role of government, ensure our resources are put to their best use, and let the private sector play a larger role in the economy.

Our own employees will have a major stake in these changes. This was recognized in the recently signed agreements with OPSEU and AMAPCEO. Employees will be given an equal opportunity to bid on operations being divested by the province.

Privatization is one option for improving the way services are delivered. A special cabinet committee on privatization, which the Premier has asked me to chair, will be established to oversee the privatization process. It will be supported by private and public sector advisers to ensure the best value for taxpayers is obtained. The committee will ensure the selection of privatization candidates is based on strict criteria that protect the public interest, and that the process is open, fair and free of conflict of interest. We will also establish procedures to require the registration of all persons and firms who lobby the government.

I will be inviting all Ontarians to provide the government with their suggestions as to those government services that should be considered for possible privatization. The means for providing these suggestions will be announced shortly.

At the same time as we are changing the way government works, we are investing in programs that Ontarians have told us they value most. This budget provides a total of \$42.7 billion to pay for government programs and services this year.

We are making this investment in spite of the federal government's cuts in transfer payments to Ontario for health, education and social programs. The federal government will contribute \$1.2 billion less this year than it did last for health, education and social programs in the province.

Let me put that figure into its proper perspective:

Over the period 1995-96 to 1998-99, the federal government will cut payments to the provinces for health, education and social programs by 42.2%.

During the same period of time, it will cut the rest of its own government spending by 1.3%.

Those are strange priorities indeed for a federal government that purports to be "fair and compassionate" and tells Canadians "the commitment of their national government in support of health care, post-secondary education and assistance to the poor will be intact, and strong."

In my opinion, those federal cuts do not reflect the priorities of the people of Ontario, or indeed the people of Canada.

Ontarians value our health care system. They want us to manage it in a way that protects it for the future.

In November I said that we would ask hospitals to find savings, and that we would reinvest these savings in other health care priorities. I said we would not let health care spending fall below the \$17.4-billion benchmark we established. In spite of the federal government's cuts to



health care, we are meeting this commitment. With the substantial reinvestments we have made, this year's operating budget for the Ministry of Health is \$17.7 billion.

The best way to keep Ontarians healthy is to detect signs of illness early, to act quickly and to prevent problems before they start.

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We are spending our health dollars wisely and differently. Change is essential so we can serve an increasing population of seniors and so we can make new technologies available to the people who need them.

Here is what the Ministry of Health is already doing under the direction of the Honourable Jim Wilson:

We are reinvesting \$170 million this year to provide seniors and people with disabilities with care at home instead of in institutions. This means an additional 80,000 people will receive services such as in-home nursing care, housekeeping and meal programs, creating 4,400 new health care jobs in community settings.

We are expanding a program to aid in the early detection and treatment of breast cancer, which affects 6,000 women in Ontario each year. We are providing additional funding to treat women with breast cancer and ovarian cancer. The Minister of Health will be providing further details.

We are providing funds to immunize all school children against measles, to immunize young people against hepatitis B and to immunize seniors and those at high risk against serious pneumonia.

Too many patients and their families face the anxiety of long waits for diagnosis of internal illnesses. To meet this need, the Ministry of Health will provide operating funding for 23 magnetic resonance imaging machines in locations across the province, bringing the total to 35 province-wide.

We are reinvesting \$25 million to help hospitals serve areas of high population growth. The Ministry of Health worked with hospitals and the Ontario Hospital Association to reinvest these funds where they are needed most.

We are expanding emergency paramedic services by providing training and by equipping over 400 paramedics across the province to perform lifesaving emergency care procedures.

We are reinvesting funds to allow patients with acquired brain injuries to be treated here at home in Ontario rather than in the United States.

We are protecting emergency services in northern and rural hospitals by paying doctors on a sessional basis rather than on a fee-for-service basis. This action has enabled over 60 small rural hospitals to keep their emergency rooms open 24 hours a day.

We have restored out-of-country OHIP coverage for Ontarians.

The changes we are making will protect Ontario's health care system while reinvesting dollars where they are needed the most.

Ontarians have told us to make sure our school system provides our children with an excellent education, but to rein in spending outside the classroom. We are doing what the people have asked.

We are working with school boards, teachers and parents to ensure that our school system promotes excellence in student achievement and is accountable to taxpayers. The Sweeney report found that as much as 47 cents of every education dollar is spent outside the classroom. We have given school boards tools to reduce spending outside the classroom and to bring Ontario's costs in line with those in other provinces.

More fundamental reforms are required. People have told us that the current system is not working. It doesn't work for parents, not for taxpayers, and most importantly, not for the young people who represent our future.

The way we now pay for education favours students in rich boards at the expense of those in poor ones. People have told us that the current system requires significant changes to make it better for students and fairer to taxpayers.

In the coming weeks the government will propose significant change in local government and education financing and will embark on comprehensive consultation with local representatives. The assessment system in Metropolitan Toronto and other communities is broken and unfair — we want to fix it as well.

We want to see a division of responsibilities between the province and the local level that delivers services more efficiently and effectively, that makes elected officials more accountable to taxpayers for the services they deliver, that provides a better education for our students and that provides fair and adequate funding for priority services. The Minister of Municipal Affairs and Housing, the Honourable Al Leach, and the Minister of Education and Training, the Honourable John Snobelen, will provide further details in due course.

In partnership with school boards and the private sector, our government is announcing a series of collaborative projects that will expand the use of leading-edge computer technology projects in our schools.

We are doubling the funding available for the innovative uses of this technology in the classroom to \$40 million. This amount will be matched by equal funding from the private sector and school boards.

This initiative will create innovative approaches to learning in our schools, such as distance education, Internet access and electronic learning databases, in addition to helping teachers and school boards share valuable resources. The Minister of Education and Training will announce details soon of the first projects under this program.

To ensure that people in Ontario are safe in their homes and communities, the government is working to make our justice system more effective. We are focusing on prosecuting serious crimes, making our courts system more timely and accessible and protecting funding for front-line policing.

To ensure funding is available for front-line services in the justice system, we are going to integrate administrative support services to achieve maximum efficiency.

We are launching a major capital investment program to modernize correctional facilities and courthouses.

The Ontario Provincial Police are taking action to streamline management and administration to ensure that resources available for front-line policing are maintained.



To meet the growing demand for DNA analysis in criminal cases, we are expanding the DNA testing capability of the Centre of Forensic Sciences. The Solicitor General, the Honourable Bob Runciman, will announce further details.

We are committing over \$2 million a year to community crime-prevention initiatives to assist the voluntary efforts of Neighbourhood Watch, Block Parents, Apartment Watch and other organizations that help keep our communities safe.

Promoting and encouraging both the spirit and commitment of volunteers is a high priority for our government. We all understand that Ontarians working together can do much more for their communities than government can do alone.

Volunteer organizations are a vital part of communities in Ontario. They understand the needs of their communities best, and they address these needs with a sense of caring that reflects their commitment to helping others. Julia Munro, the member for Durham-York and parliamentary assistant to the Premier, has been working with a number of volunteer organizations and a special advisory group in support of our shared commitment to volunteers across the province.

To support the volunteers who give so generously of their time, this budget provides up to \$10 million to invest in new measures and new technologies to coordinate and link the voluntary service agencies that already exist in the province. Under the new linkages program, we will be better able to coordinate services and match people in need of services with volunteers willing to offer their time and skills.

Local charities often have limited financial resources that prevent them from doing all the things they would like to do to help their neighbours and others in need.

Many charities depend on charitable gaming as a source of vital funding for their efforts. But under current arrangements, too little of this revenue from these games actually flows to the charities themselves. In addition, many current charitable gaming activities are difficult to regulate and control, placing their integrity at risk.

To improve regulation and provide a higher yield to charities, our government will replace the current three-day roving charity events with the establishment of permanent charity event sites. This measure will enhance the control of these activities and substantially increase the funds available to local and community charities. It is expected to result in up to \$80 million in extra revenue being made available to Ontario's local and community charities each year. Operators of the current mobile charitable gaming businesses will have an opportunity to bid on the establishment and operation of these new permanent sites through an open competitive process. The Minister of Consumer and Commercial Relations, the Honourable Norman Sterling, will provide further details.

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Ms Isabel Bassett, my parliamentary assistant and member for St Andrew-St Patrick, has held extensive consultations on ways to make it easier for public institutions to solicit charitable donations. Based on her findings, the government will proceed with its plan to

introduce legislation to permit the establishment of crown foundations by public hospitals, public libraries, the Ontario Cancer Treatment and Research Foundation, the Ontario Arts Council, the Royal Ontario Museum, the Art Gallery of Ontario, the Royal Botanical Gardens and certain other public institutions which may qualify, such as the National Ballet of Canada, the Canadian Opera Company, the Toronto Symphony Orchestra, the Shaw Festival and the Stratford Festival. These foundations provide a tax incentive for major donations to public institutions.

Through this legislation, donations to these foundations will now receive the same treatment as donations to universities, colleges, the Ontario Heritage Foundation, the Trillium Foundation, the Ontario Science Centre, Science North, the McMichael Canadian Art Collection and Ontario Parks.

Raising children is a demanding job, especially for families where both parents work outside the home. Every Ontarian has an interest in making sure that young children start life in a healthy and secure environment. We all have a stake in their wellbeing.

This budget introduces four specific actions to make a real and direct improvement in the lives of our children.

First, we are investing in nutrition for children.

Children who go to school hungry are not going to be good learners. To ensure that elementary school children are receiving the nutrition they need, the government is forming a partnership with the Canadian Living Foundation for Families to help parents and communities set up and expand local nutrition programs. The government will provide up to \$5 million this year in startup funding for this initiative. By the way, this is an idea that formulated with the member for North Bay, now Premier, Mike Harris.

**Mr Sean G. Conway (Renfrew North):** Thank you, Sandra.

**Hon Mr Eves:** I don't recall Sandra being here then, I'm sorry. She wasn't here in 1981, was she?

By avoiding a large government bureaucracy, this partnership will ensure that the largest possible share of available funding, including donations from individuals and businesses in the community, goes directly towards meeting children's needs.

Second, we are helping children who have speech and language disorders.

This budget provides \$10 million this year, going to \$20 million in future years, to expand services for preschool children with speech and language disorders. About 10% of Ontario's children have a speech or language disorder. Early intervention means that more of these children will be able to function with little or no extra help as they grow older.

Third, we are investing in children's health.

Investing in children's health improves their wellbeing and their long-term prospects. For example, proper education and support can help young mothers avoid giving birth to babies with low birth weights, which is a major cause of infant death. This budget provides \$10 million annually to support expectant mothers and families with children under six years old, especially



those who would otherwise be at risk. These actions will help more children have a healthier start in life.

Fourth, we will increase the province's support for child care, bringing it to the highest level in the history of the province.

Today Ontario spends more per capita for child care than any other province, with the possible exception of British Columbia.

Janet Ecker, the member for Durham West, is reviewing child care programs to ensure that funding is provided to those most in need and that parents have affordable child care alternatives.

Ms Ecker has heard from many working parents about the substantial price they pay to ensure that their children are properly cared for.

The need to expand the child care choices available to parents is real and urgent. To address these concerns, I am announcing today an enhancement of our child care funding that will provide over the next five years an additional \$200 million in support above the current levels. This year we will spend \$600 million on child care — the highest ever in the province of Ontario's history. The Minister of Community and Social Services, the Honourable David Tsubouchi, will provide details on new child care measures following completion of the child care review.

We are investing \$57 million this summer to provide 29,000 summer jobs for young people. That's almost 5,000 more jobs than last year. In addition to helping young people meet their education expenses, these jobs provide a wide range of work experience. By giving young people a chance to gain experience and learn meaningful skills, we are helping to ensure that they will have an opportunity to lead productive and independent lives.

Ontario's college and university students are among the greatest strengths of our future economy.

To help ensure that students have enhanced employment opportunities, I am introducing a cooperative education tax credit of up to \$1,000 per co-op placement effective September 1, 1996. This refundable tax credit will provide corporations with tax savings equal to 10% of the costs of hiring a student who is participating in a recognized co-op program at an Ontario college or university. We are pursuing with the federal government the possibility of extending this program to include unincorporated employers.

To help make our education system more responsive to students' needs while keeping it accessible, the province is working with the government of Canada to develop an income-contingent student loan program. The objective of this program will be to make loan repayments reflect a student's earnings after graduation.

To encourage companies and individuals to contribute to Ontario's students, every college and university will have the opportunity to establish an Ontario student opportunity trust fund. The province will match any donation to these trust funds made after today and before March 31, 1997. The moneys from each fund will be used to assist academically qualified individuals who for financial reasons would not otherwise be able to attend

college or university. It is estimated that the province of Ontario will contribute \$100 million towards this initiative, creating a pool of \$200 million in trust funds. The interest on these funds will help provide a solid base of financial support for Ontario's students.

The Minister of Education and Training will announce further details.

In recent weeks the government has been consulting with Ontarians on the future of the Canada pension plan. These consultations have been carried out by Mr Ed Doyle, the member for Wentworth East, and Mr Tim Hudak, the member for Niagara South, along with representatives of the federal government.

Ontarians told us they want the Canada pension plan fixed so that their pensions will be there when they retire. They also told us to keep a tight control on payroll taxes, because payroll taxes kill jobs.

In June, federal and provincial finance ministers will meet to discuss the future plan's design.

Ontario's goal is to ensure that the Canada pension plan is put on a sound financial footing once and for all. We want to ensure that the pensions people are counting on will be there when they retire, and that future generations will not be saddled with trying to fund a plan that is not financially solvent. We will work on eliminating waste, overlap and duplication, and to ensure fairness in benefit administration.

Thus budget provides \$2.7 billion this year for capital spending.

That includes over \$700 million for roads and highways. Our provincial highway system is a lifeline of Ontario's economy. The condition of our highways is essential in attracting new businesses, in moving goods to our major trading partners, and in enticing tourists to Ontario. Up-to-date infrastructure is essential to ensure Ontario's economic competitiveness.

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Too many of our highways are in poor condition. To help restore this provincial asset, while creating jobs and improving highway safety, we are committing an additional \$100 million this year to an accelerated program of repaving and repairing highways.

The construction of Highway 416 in eastern Ontario will also be accelerated with the tendering of a \$20-million construction contract in the near future.

We will also provide \$60 million to municipalities this year to accelerate repairs to highways that are being transferred to their jurisdiction, and to highway connecting links that require urgent repair.

In addition, this budget provides over \$100 million in the next four years to address the safety deficiencies of municipal transit systems across the province. The Minister of Transportation, the Honourable Al Palladini, will provide further details.

To make the investments in the programs Ontarians want and value, it is essential that every taxpayer pay the amount of tax that he or she is legally required to pay. Law-abiding taxpayers have told me they want to crack down on tax evaders — they are tired of paying additional taxes on behalf of those who refuse to pay.



The Provincial Auditor has recommended that the government do more to identify those who may be evading retail sales tax and to increase the number of audits that are being performed. I can confirm today that we are taking action on each of his recommendations.

In addition, effective August 1, successful bidders on Ontario government contracts will be required to provide confirmation that their provincial taxes are in good standing. This measure will apply to all tendered contracts.

I am adding 186 new audit and collections staff to the Ministry of Finance over the next three years, including 50 reassigned from other duties. This staff will collect additional revenues estimated at \$80 million annually by 1998-99.

Once we have exhausted all government collection procedures, we will tender to the private sector the balance of uncollectible tax accounts.

The method of calculating interest on overdue taxes will be harmonized to bring interest charges in line with those of Revenue Canada. Other penalty and interest provisions will be harmonized with federal statutes where appropriate.

The Ministry of Finance will set up a new hotline for the reporting of suspected fraud or abuse, as I promised. Ontarians will be able to call the hotline, 1-888-TIP-INFO, starting June 15.

A number of amendments will be introduced to improve tax enforcement. Details of tax measures are provided in budget paper A.

At the same time, the government will pursue opportunities to lower the cost of complying with tax laws by harmonizing and reducing duplication.

To simplify the tax system and reduce administration, the Ministry of Finance will examine options to harmonize Ontario's capital tax on financial institutions with the federal capital tax. Consultations will be held with the financial services industry.

To reduce compliance costs for business, Ontario will harmonize with the changes to corporate income taxes introduced in the 1995 and 1996 federal budgets.

Ontario will continue to cooperate with the federal government to reduce tobacco smuggling. The federal and Ontario governments agreed to share equally any recovery in the 1994 tobacco tax reduction. In recognition of this agreement, and to reduce the incentive for unwarranted tobacco price increases that may rekindle smuggling, I am amending the Tobacco Tax Act. The tobacco tax will be linked to any future changes in the selling price of cigarettes. We will also fully harmonize with the federal tobacco levies by matching any future increases or decreases in those levies.

Tax harmonization must be a two-way street. Ontario is already harmonized with the federal personal income tax system.

But when we asked the federal government to administer the fair share health care levy as designed in the Common Sense Revolution — as a tax on taxable income — the answer was: not now.

When we asked them to use the income tax system to enforce child support agreements when parents did not pay, to pursue deadbeat dads, the answer was: not now.

When we asked them to use the income tax system to help recover money that is owed to the province by people who received more social assistance than they were entitled to or by students who have defaulted on their loans, the answer was: not now.

These federal delays do not make sense. They mean that less money is available to support children or to make new student loans. Ontario is prepared to act immediately on these initiatives, taking actions that people have told us they support and ensuring the continued viability of the harmonized income tax system.

Balancing the budget, eliminating the deficit and turning around the growth in debt are not ends in themselves — they are a means to an end. The end is a more prosperous Ontario, where people can once again feel secure about their jobs, their families, their communities and their future, where they can feel better about themselves.

We are building a better future for Ontarians. It means that we must restore the environment that allows businesses to create jobs.

My colleagues and I promised Ontarians that we would take a new approach to get our economy going — by making Ontario a great place in which to live, work and invest.

We have put an end to more than 30 direct business subsidy programs. In my opinion, most business subsidy programs don't create lasting jobs. Too often, the job ends as soon as the government grant ends. Cutting these programs will save taxpayers \$230 million in grants and loans this fiscal year.

Our government is taking a different approach.

We are breaking down the barriers to job creation.

We are cutting payroll taxes that kill jobs.

We are changing the rules so that banks and private investment funds will invest more money in new and growing businesses that create jobs.

We are changing taxes that have blocked the growth of important sectors of our economy.

Our government is breaking down the barriers to job creation. We have passed legislation to restore the balance in relations between workers and employers. We have repealed job quotas. We have frozen Ontario Hydro average rates until the year 2000.

The Red tape Review Commission, headed by Frank Sheehan, the member for Lincoln, is finding ways to eliminate unnecessary regulations and make government work better for Ontarians.

This year, we will extend the sunset provision of the Loan and Trust Corporations Act and take action to eliminate overlap in regulation in the loan and trust industry. We will remove the outdated requirement that Ontario duplicate regulatory activities already undertaken by other jurisdictions in Canada. By harmonizing with federal regulations, we will get rid of an unnecessary layer of regulation in this important industry. We will set out our direction in a policy paper to be issued for public comment in the near future.

While the task of making Ontario a good place to create jobs is by no means completed, already Ontarians can see signs that we are going in the right direction.



Between June 1995 and March of this year, Ontario's private sector created 90,000 new jobs. That's over 300 new net private sector jobs every day.

I know that the public sector is cutting back — at all levels. Many good and hardworking people are finding themselves on the job market for the first time in years.

But for every job lost in the broader public sector in the last nine months, almost four jobs were created in the private sector. We simply have to make this adjustment to get Ontario growing again.

To date this year, we have more jobs in manufacturing that we had a year ago, more jobs in construction, more jobs in services, more jobs in the wholesale and retail sector, more jobs in transportation and communications. 1700

Investors are recognizing that Ontario is once again a good place to do business. Investment stands at record-high levels, and Ontario's investment growth is outpacing the rest of Canada.

Magna International has chosen St Thomas as the location for its new truck frame plant, creating over 700 new jobs.

Premier Harris recently participated in the groundbreaking for Honda Canada's expansion in Alliston, creating 1,200 new permanent jobs.

The forest industry has announced additional investments in communities such as Thunder Bay, Red Rock and Marathon.

Placer Dome recently committed \$260 million to develop its Musselwhite gold property north of Pickle Lake.

Bayer Rubber Corp is investing \$61 million to build two new chemical plants in Sarnia.

The Pacific Century Group is working in partnership with IBM Canada and Rogers Cablesystems on a \$100-million project to build four condominium towers with fibre-optic wiring in downtown Toronto.

Investments such as these are bringing real benefits in the form of jobs for Ontario's people.

To help more companies grow and compete, I am announcing a new private sector driven approach to business development.

A new partnerships for jobs and growth initiative will complement our efforts to improve the business climate.

It will support innovation, encourage Ontario's entrepreneurs, strengthen Ontario's sectors, bridge the training gap, extend global reach and strengthen economic development at the local level.

Addressing these issues will make Ontario a more competitive, productive and successful trading economy.

In its initial year, 1996-97, \$50 million of the savings from other programs will be reinvested to support this partnerships for jobs and growth. The Minister of Economic Development, Trade and Tourism, the Honourable Bill Saunderson, will announce further details.

The strongest area of our economy has been the export sector. Exports are at record levels and are expected to increase by a further 8.7% in 1996. The motor vehicle industry — our largest manufacturing exporter — achieved its highest level of production in history last year.

Overall, Ontario businesses plan to increase their investment spending for machinery and equipment, investing in new commercial and industrial buildings. According to the Conference Board of Canada's recent survey of business confidence, almost 54% of Canadian businesses consider Ontario the best province in which to invest.

Consumers are beginning to feel more confident too. Home resales have improved by 36% this year from last year's low levels — backed by interest rates that are at their lowest since July 1994. The inflation rate is holding at less than 2%.

Ontario's economic expansion is taking hold and accelerating. Our forecast, which is deliberately cautious, is that the economy will expand by 1.9% this year and 2.8% in 1997. Most forecasters expect that we will do better.

A large share of Ontario's new jobs will come from new and growing businesses. These businesses need access to sources of capital that believe in their potential and are prepared to maintain their investment until that potential is fully realized. We are taking action today to help make that happen.

Labour-sponsored investment funds have become well established as a source of capital for entrepreneurs, especially for those requiring capital between \$1 million and \$10 million. At present, our labour-sponsored investment funds hold assets of \$1.2 billion, including more than \$600 million that is required to be invested in eligible businesses over the next three years.

I am introducing stricter investment rules today to ensure that capital raised by these funds is made available more quickly to Ontario's entrepreneurs — and especially to businesses that are not yet big enough to raise capital on the stock market.

To reduce costs to the taxpayers, I am harmonizing with the federal government by limiting the Ontario tax credit for new investments to 15%, effective today. I am also harmonizing with the changes to this program that were announced in the federal budget.

Banks too must play a key role in the new economy by increasing their longer-term financing of Ontario's innovative growth firms — especially smaller businesses.

Effective midnight tonight, we will harmonize with the federal measure by imposing a temporary surtax on capital tax paid by banks.

We will provide a small business investment credit against this tax to banks making capital investments in small businesses in Ontario. Banks that increase the availability of equity capital for small businesses will be able to earn back this surtax over a three-year period of time.

We will make certain that banks that do business with the provincial government are also doing business with Ontario's entrepreneurs. Starting this year, banks that wish to provide services to the province will be required as part of their tender bid to show a comprehensive record of small business lending.

In addition, the government will consider innovative ideas to foster the establishment of private sector financed equity funds that focus on new and emerging small businesses. I have asked Mr Rob Sampson, my parlia-



mentary assistant for financial institutions, the member for Mississauga West, to lead this review and report back to me. He will be assisted by Mr Joe Spina, the parliamentary assistant for small business, the member for Brampton North.

The Ontario economy needs a strong, globally competitive capital market. Ontario companies need access to equity financing without the extra cost and delays caused by regulatory duplication. Strong and well-regulated stock exchanges are good for business and they are good for Toronto, the heart of Canada's financial sector.

To make it easier for companies to raise funds in Canadian equity markets, Ontario will pursue an agreement with the federal government and other interested provinces to delegate responsibility for securities regulation to a Canadian Securities Commission.

Ontario has become one of the major film production centres in North America. The strategic alliance in animation productions between Sheridan College and Disney Corp is but one example of the kind of new investment that the film industry can bring to the province, creating skilled jobs and talented people. But this industry faces stiff competition because of incentives offered by other jurisdictions.

To ensure that Ontario remains a major player in the North American industry, I am introducing a film and television tax credit that harmonizes with the federal tax credit introduced last year and targets benefits to Ontarians. This refundable tax credit will be 15% of the eligible labour costs in Ontario, effective July 1 of this year.

Ontario will double the value of credit for filmmakers making their first commercial production. These measures will be administered jointly with the Ontario Film Development Corp.

Bell Canada has been a pioneer in servicing over 1,500 major call centres in the province, creating competitive advantage by providing toll-free service to customers. Increasingly, these centres require employees with advanced skills, for example, service agents who explain complex financial services or technicians who can install and repair state-of-the-art telecommunications equipment.

In recent weeks, Unitel Communications has chosen to locate a new call centre in Toronto, creating 250 jobs. S&P Data Corp has announced plans for a new call centre in North Bay, creating 328 jobs.

These companies and others like them have discovered that Ontario offers a highly skilled workforce, bilingual and multilingual communities — including those in northern and eastern Ontario — advanced digital telecommunications technology and proximity to North America's major consumer markets.

Ontario is determined to keep the jobs that these companies create. To help do so, I am exempting from retail sales tax 1-800 and 1-888 telephone services purchased by business, effective July 1. This measure will bring Ontario into line with the tax incentives provided by seven other provinces.

Jobs and growth in the Ontario economy will depend on our ability to develop and use the information highway.

In partnership with Ontario's telecommunications and computing industries, we have already built sophisticated

networks, some of which primarily serve the public sector, such as health, education and Ontario Hydro.

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New telecommunications applications offer the potential for significant improvements in the accessibility, timeliness and cost-effectiveness of public sector services. We will explore how to best use existing public sector networks, especially in rural areas of Ontario. We will also look at the merits of an expanded role for the private sector.

In addition, we will reinvest \$20 million found from other programs, for telecommunications access partnerships to work with entrepreneurs, sectors and communities.

The Minister of Economic Development, Trade and Tourism will announce details.

While many other sectors have returned to their pre-recession level of production, Ontario's housing industry has not. New housing starts this year are projected to be less than half their 1989 level.

To encourage people who have been waiting to buy their first home, first-time buyers who purchase a newly constructed home after today and before March 31 of next year will receive a refund of their land transfer tax, the maximum refund being \$1,725, equivalent to the tax on a \$200,000 home. Coupled with lower interest rates and more affordable pricing, this measure will help bring home ownership within the reach of many more families. In addition, it will create jobs in building, furnishing and equipping these new homes.

The tourism and hospitality industry attracts millions of dollars to Ontario and creates thousands of jobs.

For many years the competitiveness of the hotel industry in Metropolitan Toronto has been hindered by property taxes that are higher than those on other commercial property. Over the coming year, the government will take action to address this disadvantage as part of its review of property tax reform.

To assist Ontario's hospitality industry, the Ontario Lottery Corp will develop a plan to introduce a limited number of video lottery terminals at selected locations across the province.

In recent years, the gaming marketplace has expanded dramatically, with numerous new products and activities which have made it difficult to control and regulate. In addition, the Ontario Provincial Police have indicated that illegal gaming activity is increasing, with anywhere from 15,000 to 16,000 video lottery terminals operating illegally in the province of Ontario today. It is anticipated that the establishment of a tightly regulated, government-managed VLT network, along with other measures announced in this budget, will counter illegal gaming activity, and impose some much-needed discipline and control in Ontario's gaming marketplace.

The Ontario Lottery Corp will be responsible for the operation and management of the VLT network, and the Ontario Gaming Control Commission will oversee and control every aspect of VLT gaming activity. We believe that VLTs, if implemented within tight regulatory controls and in limited-access environments, can meet a legitimate entertainment demand and provide a significant stimulus to the hospitality industry.



In designing Ontario's VLT program —  
*Interjections.*

**The Speaker:** Order. I'm having a problem hearing.

**Hon Mr Eves:** — the Ontario Lottery Corp will take advantage of lessons learned in the eight other provinces in Canada where VLT networks already exist. The detailed implementation plan developed by the Ontario Lottery Corp, in consultation with the Ontario Gaming Control Commission, will be designed to ensure that the installation of terminals and the expansion of the VLT network proceeds in a measured way, and that appropriate controls and regulatory provisions exist at each stage of the process. In addition, to encourage responsibility among those participating in gaming activity, and to assist those affected by problem gambling behaviour, 2% of the total terminal revenues will be set aside to establish a comprehensive problem gambling strategy that will include public awareness, prevention, treatment and research components.

Initially, VLTs will be located only at racetracks and permanent charity event sites — locations where the machines can be closely monitored and where they will complement other existing gaming activities. Once an acceptable implementation plan is developed, the network can then be expanded to the hospitality industry, having regard to the following guidelines:

- Terminals will be located only in separate areas within liquor-licensed establishments where access can be limited to those 19 years of age or older.

- Licensed premises that fail to enforce this age restriction will have their liquor licences suspended or revoked.

- The total number of terminals in the province will be limited to fewer per capita than in any other province with a VLT network.

- The host site will receive 10% of the total terminal revenues.

- 10% of total terminal revenues will be provided to charitable organizations in the province.

As a result of initiatives in this budget, charitable organizations will now be provided with up to an additional \$180 million annually to help them meet community needs.

The recession and the expansion of legalized gaming activities in recent years have adversely affected Ontario's horse racing industry, which is one of the largest in North America. The introduction of VLTs at racetracks will attract patrons and generate revenues for the industry.

To bring this industry's taxes in line with its competitors, and to protect the jobs of those it employs throughout rural Ontario, I will be reducing the racetracks' tax rate to half of 1% on all wagers. This rate reduction will take effect when the government is assured that the horse racing industry has in place an effective plan to share additional resources fairly and to secure the future of Ontario's horse racing industry. The Minister of Consumer and Commercial Relations will work with the industry to develop this plan.

The economy of the greater Toronto area provides up to half of the province's entire economic output and 43%

of its employment. The GTA is considered Canada's major business and financial centre, and the hub of communications, transportation and wholesaling networks that serve the Great Lakes economy. Without strong growth in the GTA, Ontario's economy cannot perform well.

After a prolonged recession that lasted nearly two years longer than in the rest of Ontario, the GTA's economy is growing again. Employment surged ahead by 82,000 jobs in 1995, compared to a loss of 8,000 in 1994.

While the GTA's economy is growing again, the antiquated nature of the property tax system in many of its municipalities is cause for concern. The need for reform was highlighted in the report of the Golden task force. To ensure that the GTA economy continues to be a driving force within Ontario, we are carefully reviewing the Golden task force's recommendations to ensure that we have the best possible plan for the sustained health of the GTA and the province. Our review will also include consideration of the findings of the GTA panel chaired by Ms Libby Burnham.

The government is also determined to bring new jobs and growth to northern Ontario.

The Northern Ontario Heritage Fund Corp will be refocused away from direct financial assistance to businesses and towards the funding of infrastructure improvements and development opportunities in northern Ontario. Specifically, the corporation will direct its financial resources towards:

- The development and marketing of regional tourism enhancement projects.

- Telecommunications and transportation infrastructure improvement.

- Other economic development initiatives to ensure that northern communities remain attractive places to live and work.

The former government took \$60 million from the heritage fund on March 31, 1995. This money was specifically allocated to be used for the benefit of northerners and should never have been transferred into general provincial revenues. Based on recommendations from my colleague the Minister of Northern Development and Mines, the Honourable Chris Hodgson, I am returning these funds to the heritage fund today, along with \$5 million in accumulated interest. As a result, this fund now contains over \$120 million to be used exclusively for the benefit of the people of northern Ontario. The government will continue to provide \$30 million annually to the heritage fund.

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To eliminate duplication and achieve economies of scale and enhance returns to the fund, we will establish improved financing arrangements between the fund and the Ontario Financing Authority.

Our efforts to improve the north's business climate will help sustain strong resource exports and investments that have been creating jobs. Freezing all mining taxes and all Mining Act related fees and licences will encourage investment in northern resource sectors. A reduced regulatory burden on forestry and mining and streamlined approvals that maintain environmental standards will also



lead to increased economic growth. A total of \$138 million will be provided this year for repaving and repairing northern roads — up \$40 million from the fiscal year just past.

**Mr Bud Wildman (Algoma):** That's from the heritage fund.

**Hon Mr Eves:** No, it is not.

To foster development in the far north of the province, the Minister of Northern Development and Mines will investigate opportunities for partnerships between government and the private sector to build infrastructure and stimulate resource development in remote areas north of the 51st parallel.

Across rural Ontario, communities are taking action to develop their full economic potential. New technologies are changing, creating new opportunities for business.

Our government is taking steps to ensure the long-term growth and prosperity of rural Ontario.

We have repealed legislation that permitted trade unions to invade the family farm.

We are working on dismantling Bill 163 to expedite the planning process and empower municipalities.

We are retaining the farm property tax rebate program, pending reform of municipal property taxes.

We are increasing agriculture's share of the operating budget for this fiscal year.

**Mr James J. Bradley (St Catharines):** It's less money than last year.

**Hon Mr Eves:** No, it is not.

The needs of rural communities are unique and the challenges facing them are different from those of urban Ontario. The new Ontario municipal support program stands as evidence of our government's understanding of that fact.

We will bring economic stimulus to rural Ontario. Agriculture and food is the province's second-largest goods-producing sector, and there is great potential for expansion in many areas — from aquaculture to ethanol production. Such expansion benefits from our commitment to eliminate red tape and needless regulations throughout government.

To promote growth in rural Ontario, this budget is providing \$15 million to stimulate research, market development, investment and competitiveness in the agriculture and food sector. The new Grow Ontario program will strengthen the capacity of small and medium-sized farm and food sector groups and rural communities to compete in the international marketplace. The Minister of Agriculture, Food and Rural Affairs, the Honourable Noble Villeneuve, will provide details.

To assist Ontario farmers further and provide stimulus, I will provide a rebate of 8% retail sales tax paid on building materials purchased by commercial farmers to upgrade and modernize farm operations after today and before March 31 of next year.

While our economy is growing again, and however competitive we may be abroad, the benefits are not yet being felt by many here at home.

Too many people are out of work in Ontario, and even those who are working have seen their standard of living fall. Men and women who work hard to raise their

families and keep their homes, who in many cases have not seen a pay raise in several years, have been hammered by years of tax increases. In the past 10 years provincial taxes have been raised 65 times, including 11 increases in Ontario's personal income tax. In good times and in bad, governments have put their hand deeper and deeper into the pockets of Ontario taxpayers.

As a result, in real inflation-adjusted terms, the take-home pay of the average worker is lower today than it was in 1985.

Ontario can and will do better — much better.

Our economy has the capacity to produce billions of dollars a year more in additional economic output than it's producing today. The use of our existing plants and equipment could be much higher; if that were the case, production would rise. There is no need for us to accept a rate of growth that keeps good people out of work and good capacity out of use.

Unless we reduce our current levels of taxation, we will never return to prosperity in the province of Ontario. We will never create enough jobs to give Ontarians a secure future. We will never generate enough revenues to balance the budget.

To build a better future, we have to give Ontario's economy a break. We have to give the people of Ontario and future generations a break.

During the 1980s, small businesses were the province's largest source of new jobs; in the 1990s, they have suffered major losses. A big part of the problem is the heavy payroll tax burden borne by small business.

To help businesses create jobs, I am fulfilling today our commitment to exempt the first \$400,000 in annual payroll from the employer health payroll tax. This tax cut will be introduced in three steps, starting January 1, 1997, and will be fully implemented by January 1, 1999.

Ontarians want to see small businesses expand and hire new workers. Yet the current payroll tax penalizes them for doing exactly that. It increases the ongoing cost of hiring a new worker by as much as 4% for a small and growing business. In addition, the payroll tax imposes a substantial and unnecessary paperwork burden on employers who may have only a single employee. Ontario and Quebec are the only provinces that impose a provincial payroll tax on small employers.

The former government changed this tax five times without fixing its underlying problems. Their one-year exemption for increased payrolls added to the paperwork burden on employers, and it did not provide permanent relief. I am replacing it with a permanent tax reduction.

By 1999, 88% of Ontario's employers will no longer have to pay this job-killing tax. That means 270,000 employers can spend less time filling out forms for the government and doing more productive work. This tax cut will remove a barrier that discourages small and growing businesses from creating jobs.

To reduce the payroll tax burden further, we will deliver on our commitment to reduce the average workers' compensation assessment rate by 5%.

We will also cut taxes for the people of Ontario, providing real and immediate benefits from our actions to make government smaller and helping create jobs that people want.



My colleagues and I said we would cut personal income taxes by an average of 30% over three years, with half of that to be provided in our first budget. We promised Ontarians with higher incomes they would have to pay a fair share for the health care system. Today we are delivering on those promises.

Ontario's income tax rate will be cut by 30.2% over three years.

The first step will take effect this July 1, less than 60 days from today. That is the earliest day allowed under the tax collection agreement.

*Interruption.*

**The Speaker:** Have them removed from the gallery.

**Hon Mr Eves:** The amount of income tax deducted from people's paycheques will be reduced starting July 1 to reflect a rate of 54% of the basic federal tax for the second half of 1996. That's down from 58% at present.

The second step will take effect on January 1, 1997. Then Ontario's income tax rate will be 49% of the basic federal tax. That will bring us slightly more than halfway to our 30.2% commitment in cut in the tax rate.

The rest of the cut will be phased in between 1997 and 1999. In 1999, Ontario's tax rate will be 40.5%. That's 30.2% less than it is today.

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When the tax cut is fully implemented, 520,000 taxpayers with modest incomes will get a cut that's greater than 30%. Another 635,000 with lower incomes will continue to pay no tax at all.

Those with higher incomes will pay a Fair Share health care levy. In the Common Sense Revolution we proposed that this take the form of a tax on taxable incomes. The federal government has refused to allow us to implement that tax. Therefore, the Fair Share health care levy is incorporated into Ontario's existing surtax. For example, a single individual with no dependants will pay the Fair Share health care levy only if his or her salary exceeds \$52,315 a year. This levy will be adjusted as the tax cut is phased in. The payroll tax on the self-employed will be eliminated.

It is a privilege, on behalf of the government and people of Ontario, to announce today legislation that will cut Ontario's taxes this July 1 and again on January 1, 1997.

The benefits of these measures are clear:

Ninety-one per cent of all taxpayers will see a tax cut of 30% or greater.

All taxpayers with incomes of \$60,000 or less will see their taxes fall by 30% or more.

Sixty-four per cent of the benefits from this tax cut will be concentrated on middle-income Ontarians earning between \$25,000 and \$75,000 a year.

For those with higher incomes, the 30.2% rate reduction will be offset in part by the Fair Share health care levy. This system will be far more progressive when the tax cut is fully implemented than it is today, and that is fair for all Ontarians.

The marginal rate on those with higher incomes, which can be as much as 55%, will be reduced to 49.6%, the second-lowest in Canada.

Best of all, these cuts mean more jobs for Ontarians. People will have more dollars to spend, more dollars to

pay down their debts, more dollars to invest in new businesses, and more incentive to create jobs in Ontario.

I can remember, only a few short years ago, when governments thought taxes could only go in one direction: up. This budget does exactly the opposite. It cuts taxes a total of 10 times.

This is a budget for the people of Ontario. It is a budget that:

- Spends taxpayers' dollars more wisely.
- Promotes job creation in the private sector.
- Helps those in genuine need.
- Reduces the tax burden on middle- and low-income taxpayers.

Reducing the deficit means lower borrowing costs. Lowering borrowing costs means we'll have more money to invest in programs that Ontarians value the most. Creating efficiencies in government reduces the burden on all of us.

The changes we are making today are based on our belief that Ontario can have a better future:

— An Ontario that has freed its children and grandchildren from the burden of government deficits and growing debt.

— An Ontario that provides programs that will take care of people in need of permanent help and gives an hand up to those requiring temporary assistance.

— An Ontario that leads Canada in jobs, in investments, in health care, in education and in community safety.

— An Ontario that creates a society that not only believes in compassion and justice but has the financial capacity to make it a reality.

To set Ontario in this new direction has taken vision and courage, which have been the hallmark of Premier Mike Harris's leadership. I salute him for his leadership, and I thank him for his support.

We have heard the people of Ontario. The people of Ontario told us they want a government that works for them, not the other way around.

They have told us they want an Ontario where hard work is rewarded, where initiative is encouraged.

They want an Ontario where their children can grow, where young people have hope and opportunity. An Ontario where social justice and fiscal responsibility are the rule rather than the exception.

These are the principles and beliefs that my son Justin shared. They can be tomorrow's reality.

With the initiatives announced today, the people of Ontario can meet the challenges of the 21st century confident that tomorrow will be better than today for themselves — and for their children.

Mr Speaker, I believe we have unanimous consent to revert to introduction of bills.

**The Speaker:** Whoa, whoa.

**Mrs Lyn McLeod (Leader of the Opposition):** I am pleased to move adjournment of the debate.

**The Speaker:** Shall the motion carry? Carried.

**Hon Mr Eves:** My apologies to the leader of the official opposition.

I believe we have unanimous consent to revert to introduction of bills.

**The Speaker:** Do we have unanimous consent? Agreed.



**INTRODUCTION OF BILLS****TAX CUT AND ECONOMIC GROWTH ACT, 1996  
LOI DE 1996 SUR LA RÉDUCTION D'IMPÔTS  
ET LA CROISSANCE ÉCONOMIQUE**

Mr Eves moved first reading of the following bill:

Bill 47, An Act to cut taxes, to stimulate economic growth and to implement other measures contained in the 1996 Budget / Projet de loi 47, Loi visant à réduire les impôts, à stimuler la croissance économique et à mettre

en oeuvre d'autres mesures mentionnées dans le budget de 1995.

**The Speaker (Hon Allan K. McLean):** Is it the pleasure of the House that the motion carry? Carried.

**Hon Ernie L. Eves (Deputy Premier, Minister of Finance and Government House Leader):** Mr Speaker, I move that the House do now adjourn.

**The Speaker:** Is it the pleasure of the House that the motion carry? Carried.

*The House adjourned at 1738.*

**ERRATA**

| No. | Page | Column | Line(s) | Should read:  |
|-----|------|--------|---------|---|
| 69  | 2766 | 1      | 48      | We've dropped over 1.8 million vaccine baits in   |
| 69  | 2766 | 2      | 10-12   | I mentioned, we dropped 1.8 million vaccine baits last fall around eastern Ontario and the southern border areas. |

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COMITÉES PERMANENTS DE L'ASSEMBLÉE LÉGISLATIVE**

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Bruce Smith, Bud Wildman  
Clerk / Greffière: Lynn Mellor



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## Legislative Assembly of Ontario

First Session, 36th Parliament

## Assemblée législative de l'Ontario

Première session, 36<sup>e</sup> législature

# Official Report of Debates (Hansard)

# Journal des débats (Hansard)

Wednesday 8 May 1996

Mercredi 8 mai 1996



Speaker  
Honourable Allan K. McLean

Président  
L'honorable Allan K. McLean

Clerk  
Claude L. DesRosiers

Greffier  
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# LEGISLATIVE ASSEMBLY OF ONTARIO

Wednesday 8 May 1996

# ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

Mercredi 8 mai 1996

*The House met at 1333.  
Prayers.*

## MEMBERS' STATEMENTS

### PROVINCIAL PARKS

**Mr John C. Cleary (Cornwall):** The people of eastern Ontario have been waiting for the Mike Harris government to do something with the closed parks of the St Lawrence. The unemployed, students and small business owners thought the budget would have some kind of announcement to get Raisin River and Charlottenburgh parks open this summer.

Under the heading "Bringing tourism and hospitality jobs to Ontario," there is nothing that talks about the campgrounds of eastern Ontario. All I can find is references to video lottery terminals and northern Ontario.

Yesterday I read with deep disappointment the minister's reply to a meeting request from Charlottenburgh township to discuss potential lease agreements. Not only is the government not interested in meeting with the municipality, but Mr Saunderson writes, "I want you to know that this government has tried to open these parks." Perhaps the minister is confused.

The tender process he is referring to took place under the former administration, leading me to believe he wants me to tell the people what your government, not the commission, is doing to open these parks.

If the minister doesn't want to listen to me, maybe he'll want to review the comments of the member for S-D-G & East Grenville when he said: "We have to get these parks open next year, one way or another. Let's get the parks open come springtime." That was in 1994. Shame, shame, shame.

### TAX REDUCTION

**Mr Tony Silipo (Dovercourt):** Yesterday the budget revealed what many people have been saying and knowing for some time, which is that we now have the full picture in front of us in terms of what this government is doing and how it's intending to pay for its 30% tax cut.

Of course the government tried yesterday to paint this as a good news budget, focusing only on the merits of the tax cut, but people out there know, and as they begin to make the equation they will more and more see that in fact any benefit they might get from a few hundred dollars' reduction in the provincial income tax will be more than offset by increases they are going to have to pay in property taxes, because of cuts to school boards and cuts to municipalities, and a whole array of other

hidden taxes otherwise known as user fees which people are going to have to pay. For the average family, they're going to be worse off at the end of the day, not better off.

One of the things I think will happen over a period of time is that people will begin to see the full impact of what Mike Harris is doing.

The other thing they will also realize is that not only will this budget and the policy of this government devastate the social fabric of this society, it will also not generate economically anywhere near the kinds of jobs they are claiming. It was interesting that in the budget yesterday the minister gave us a lot of numbers, but he didn't tell us — we had to ask the bureaucrats to get the real numbers on job creation, which are going to be far, far less than the 725,000 jobs they promised to create in the Common Sense Revolution.

### BROCK UNIVERSITY VITICULTURE PROGRAM

**Mr Tom Froese (St Catharines-Brock):** Brock University recently announced the formation of a Cool Climate Viticulture Institute. This institute has been shaped over the last year after extensive collaboration with different sectors of the grape and wine industry.

Clearly, Brock wants to know and be able to respond to the needs of grape growers, wine makers and juice producers. In fact, they've joined forces with Dr A.G. Reynolds, the program leader at the Agriculture and Agri-Food Canada research centre in British Columbia.

Students will benefit by being able to complete a bachelor of science degree specializing in this important area. They will not only get access to up-to-date research, but also practical hands-on experience working in local vineyards and wineries.

Already the research they are conducting is showing tremendous possibilities. Through biotechnology they have harvested nematodes, which have a short 30-day life span, to destroy the harmful grape berry moth. They have done this in an experimental vineyard at Chateau des Charmes winery in Niagara-on-the-Lake, which resulted in top-quality wines without chemical treatment.

I would like to acknowledge and encourage Brock to continue this type of partnership and creative activities, activities that not only assist grape growers and wine producers but all of us through better treatment of our environment.

### TAX REDUCTION

**Mr Pat Hoy (Essex-Kent):** Over the next four years, the Conservative budget will add \$22 billion to Ontario's debt.



The tax cut will be equivalent to a 15% cut in provincial taxes by January 1, 1997, and will cost the province \$13 billion in lost revenue over the next four years. But to pay for the tax cut, the Harris government will have to borrow \$1.2 billion for the remainder of this year and a total of \$5.4 billion when the tax is fully implemented. Money is being borrowed for a tax cut at a time when the deficit should be addressed.

The issue of fairness bothers me. Over 30% of families in my riding have a combined income of less than \$30,000. For them, the tax break will mean approximately \$155 this year and \$295 next year. If a family has a combined income of \$150,000, even with the health levy clawback, this family would net \$3,123. This division is not fair to the people of Essex-Kent.

I fear that additional user fees, hikes in tuition fees and licence fees will cause the tax windfall to disappear. Government downloading will cause increases in school board and property taxes, garbage collection fees, water fees, recreation fees, library fees, provincial police service fees, road toll fees and countless others. Many families will end up with less money than they had before the tax cut. With daily announcements of user fees, this government is downloading.

1340

#### VIDEO LOTTERY TERMINALS

**Mr Peter Kormos (Welland-Thorold):** Lie after lie after lie. In yesterday's budget, we saw the announcement of video lottery terminals — slot machines — in virtually every corner of every block of this province, small town and big city alike. Let me tell you —

**The Speaker (Hon Allan K. McLean):** I'd ask the honourable member to withdraw the word "lie." Would the honourable member withdraw?

**Mr Kormos:** Yes. May I start again, Speaker? I withdraw.

**The Speaker:** Would you withdraw the words you uttered?

**Mr Kormos:** The "lie" word?

**The Speaker:** Yes.

**Mr Kormos:** I know I can't use the word "lie"; ergo, I withdraw it.

Prevarication after prevarication. I tell you, video lottery terminals — slot machines — on every corner of every block in this community and in communities across this province. Slot machines are the crack cocaine of gambling. It's a tax on the poor. It makes other forms of gambling look like a cake raffle.

This government, through its leader, promised, "A Harris government will not move on VLTs until all sectors have been consulted, all impacts are assessed and an agreement is reached on the distribution of revenues." There was none of that consultation, there was none of the assessment of impacts, and there was no agreement reached on the distribution of revenues. By God, that's a prevarication if I ever saw one, and he's the prevaricator.

#### ASSISTANCE TO STUDENTS

**Mr Dan Newman (Scarborough Centre):** I rise today as the member for Scarborough Centre to bring to the

attention of this House the great news this government's budget has given to students in Ontario.

The government of Premier Harris is committed to preparing our young people for real and lasting jobs through partnerships with the private sector, schools and post-secondary institutions. By way of fulfilling that commitment, the 1996 Ontario budget offers the new cooperative education tax credit to help Ontario's young people. Mr Eves also announced that the province will match business and individual contributions to new scholarship trust funds established by universities and colleges.

The province will invest \$57 million this summer to provide 29,000 summer jobs for young people. This is almost 5,000 more jobs than last year, jobs that will help young people meet their education expenses and provide them with a wide range of work experience.

The budget is also introducing a cooperative education tax credit of up to \$1,000 per co-op work placement, effective September 1 of this year, to enhance student employment opportunities. This refundable tax credit will provide corporations with tax savings equal to 10% of the cost of hiring a student who is participating in a recognized co-op program at an Ontario college or university.

Also, to encourage companies and individuals to contribute funds for Ontario students, every college and university will have the opportunity to establish an Ontario student opportunity trust fund. The province will match donations to these trust funds, and provincial contributions are estimated at nearly \$100 million.

By enhancing opportunities for young people to gain work experience in addition to good education, our government is investing in young people's futures. After all, that is the future of Ontario.

#### FISCAL RESPONSIBILITY

**Mr Mike Colle (Oakwood):** I'm certain that today, and for many more days, weeks and months to come, all the members of the Harris government will be suffering from CFS, crossed fingers syndrome. That's right. All the government members are keeping their fingers crossed, hoping that the tax cut announced in the budget will generate jobs and economic prosperity.

The government is basing its long-term fiscal plan on wishful thinking, and yesterday's budget reconfirmed they have no vision or plan except to offload the responsibilities while giving a hand up to the wealthy.

The government failed to provide any concrete evidence that this tax cut will create jobs. The reality is that based on the government's own projections, the unemployment rate will increase. With the introduction of new user fees and increases in existing fees due to government cuts, most taxpayers will not see one red cent of that money, for it will be eaten up by these user fees.

The government continues to cut every service, program and agency in this province and argues it must do so to fight the deficit. However, it then turns around and borrows more money for a tax cut, which adds \$22 billion to the debt and costs \$13 billion in the next four years. This does not make sense. The government is gambling with Ontario's future on borrowed money and



paying off the wealthy with borrowed money. This does not make sense.

### HEALTH CARE FUNDING

**Mr Howard Hampton (Rainy River):** The Premier, the Minister of Finance and the Minister of Health tell people over and over again that there is no connection between cuts to health care, education, policing and communities, that these things have nothing to do with the Conservative government's tax break for the wealthy. They should talk to the people of Atikokan and the staff at the Atikokan General Hospital.

Because of budget cuts by the Conservative government, the Atikokan hospital will lose its rehabilitation services, occupational therapy, physiotherapy and speech pathology by December this year. This will mean loss of inpatient and outpatient programs, loss of home care programs and loss of the speech pathology program partnership with the school board.

If the hospital budget cuts scheduled for 1997-98 are implemented, the chronic care beds will be lost. That will mean that chronic care patients will have to be moved to more expensive beds in another community 100 miles away or more. Hospital budget cuts in 1998-99 will mean the loss of acute care programs, obstetrical services, cardiac care, palliative care.

The reduction of acute care service programs will result in the loss of physicians, making it impossible to operate the 24-hour emergency department. The basic primary care services will be a traumatic loss to the community.

**Mrs Margaret Marland (Mississauga South):** Many constituents are calling me to say how happy they are about the increased funding for health care contained in the Ontario budget. They are particularly grateful for the fact that despite federal government transfer payment cuts in the amount of 42% between now and 1999, our government has increased this year's budget for the Ministry of Health from \$17.4 billion to \$17.7 billion.

We are also expanding the funding for the early detection and treatment of breast cancer, which affects 6,000 women in Ontario each year. Additional funding will be provided to treat women with breast cancer and ovarian cancer.

We are going to spend \$170 million this year to provide seniors and people with disabilities with care at home instead of in institutions. As a result, 80,000 will receive services such as in-home nursing care, house-keeping and meal programs.

We will fund immunization programs for all school children against measles and hepatitis B, in addition to the immunization of seniors and those at high risk against pneumonia.

We are really proud to be adding 23 new magnetic resonance imaging machines which, province-wide, will bring the total to 35, thus helping to reduce the anxiety of long waits for accurate diagnoses of internal illnesses.

The budget's tax cut will give back \$270 to a single senior with a total income of \$20,000. Our government has promised —

**The Speaker (Hon Allan K. McLean):** The member's time has expired.

### VISITORS

**The Speaker (Hon Allan K. McLean):** I would like to inform the members of the Legislative Assembly that we have in the Speaker's gallery today Mr Juan Salazar, economic counsellor, and Mr Antonio Faer, of the Commercial Office of Peru.

We also have Mr Nikolai Prohoda and Mr Vladimir Andreev from the Russian Federation.

Welcome to our guests.

1350

### ORAL QUESTIONS

#### TAX REDUCTION

**Mrs Lyn McLeod (Leader of the Opposition):** My question is to the Premier. On Monday we asked you to consider a middle-income family of four with two parents, each earning \$25,000, and one child attending university, and we suggested to you that when this family gets its tax cut and has to subtract higher property taxes, higher tuition and a whole slew of new user fees, they would have less money in their pockets than they did the day you took office. You said on Monday that was absolutely impossible: "Wait and see what the budget brings." Premier, we've seen what the budget brings. We have the numbers from the tax cut now, so let's see what they show.

They show that this particular family would get \$512 from the income tax reduction, but they are likely to have to pay \$490 in increased tuition for that child attending university, \$30 in increased property taxes, \$30 in school board taxes, \$444 more for transit fees because of the fee hikes and close to an estimated \$200 in new municipal user fees for everything from water charges to fees for garbage pickup.

By the time you add it all up they could face \$1,174 in new costs directly resulting from the cuts that you have made. That would leave them with a loss of \$662 — \$662 fewer dollars to spend this year. Premier, I wonder if you can tell me how many jobs a net loss of \$662 will create.

**Hon Michael D. Harris (Premier):** I know the Minister of Finance can tell you that.

**Hon Ernie L. Eves (Deputy Premier, Minister of Finance and Government House Leader):** To the leader of the official opposition, it's interesting that she always tries to pick out the worst-case scenario. I sometimes wonder when she gets up in the morning and the sun is shining if she wonders why it's not pouring rain outside. There are two ways to look at life: a positive way and a negative way, I guess.

I would say to the leader of the official opposition — I've said this before and I will say it again — there is no reason for municipalities and local representatives to be dramatically raising property taxes or user fees to accommodate a 2% to 3% reduction in their total expenditures. Surely, they can find a way to restructure, rethink and rationalize the services they provide to their constituents, accommodating a 2% to 3% reduction in the amount of money that they are spending.



**Mrs McLeod:** There are two ways of looking at the world. One is based on reality and one isn't. Those aren't hypothetical fees that I was talking about, Minister; those are realities of what's happening in communities.

Let me just give you a couple of examples: Otonabee, where they're charging a 75-cent fee to pick up garbage bags; Stoney Creek, Brantford and St Catharines, where they're increasing fees to rent arenas; Peel, where the public school board has a 1.7% increase in its tax rate, and that is an average of \$38 annually for ratepayers in that area. That's what's happening, and Minister, I tell you, it is just starting. There are lots more to come.

But you've said, let's talk about worst-case scenarios, so let's talk about a worst-case scenario. I'd suggest seniors in this province. So take a couple on a fixed income of \$40,000 and that couple, that senior couple, is going to get back \$360 from your tax cut.

Now if we just look at two things: They live in Toronto; they're going to have to pay \$528 more for their transit pass. Because of the new user fees on drugs, they're going to pay out about \$80 more for their prescriptions. So just to pay for those two things, even if they don't have a tax increase, even if the rent on their apartment doesn't come up, even if they don't have to pay new garbage collection fees, they're going to be out of pocket \$248. These are people on fixed incomes, Minister, who watch every penny. Clearly, reducing the disposable incomes of seniors is not going to create jobs. Can you tell me whether you think it's fair to take \$248 out of the pockets of a couple on a fixed income?

**Hon Mr Eves:** To the leader of the official opposition, I certainly hope her numbers today are a lot better than the ones she used in the scrum yesterday because I understand they weren't entirely too accurate.

On the basis of your \$80 increase in prescription drug fees I presume you're assuming that the average senior couple has 40 prescriptions a year.

**Mrs Elinor Caplan (Oriole):** Yes, they do.

**Hon Mr Eves:** They do?

**Mr James J. Bradley (St Catharines):** Maybe more.

**Hon Mr Eves:** I can understand why the leader of the official opposition doesn't want to come to the House today and talk about budgets because it was a good news budget. What she wants to talk about are worst-case scenarios that she had dreamt up with respect to specific people.

**Mr Bradley:** They're real people.

**Hon Mr Eves:** I want to tell you something. Talking about real people, I say to the member for St Catharines, for taxpayers who earn between \$25,000 and \$75,000 a year, they are going to get, as a result of this tax reduction, 64% of the total income tax reductions announced yesterday. They pay 56-point-something per cent of the tax in the province but they are receiving 64% of the tax reductions.

I will also say that more than 91% of Ontario taxpayers are receiving a reduction in their taxes of 30% or more. I don't know what the problem is. For months I heard from the leader of the official opposition, "When you come in with your tax cuts, it's only going to benefit the rich." I'm standing here to tell you today that 91% of Ontario taxpayers are getting 30% or more.

**Mrs McLeod:** That answer is exactly why I wanted to be in the House today to talk about the budget, because this is a minister who wants to escape to percentages and not talk about real dollars in real families' pockets. That's what I want to talk about.

Let's talk about the best-case scenario in your budget, Minister. Let's talk about the real winners in real dollar terms. Let's talk about the family that has the income of \$150,000, the ones who are going to get the really big tax break, the family that's going to get \$4,300. They are going to pay the same increased tuition fees, they're going to pay the same increase in user fees for water or for garbage or for recreation — you name it — and they will face the Fair Share health tax levy. But even with all this, that family will still come out ahead. They still come out with about \$1,281. That's how things work in your budget, Minister. Check the figures.

High-income earners win. Seniors on fixed incomes lose. Middle-income earners lose. That's the reality, because your tax plan is out of whack. I want you to tell me how it is fair that the privileged few in Mike Harris's Ontario —

**The Speaker (Hon Allan K. McLean):** Order.

**Hon Mr Eves:** The leader of the official opposition knows full well that there is no correlation whatsoever to the user fees she's talking about or tuition fees or any other fee and the tax cut that was announced in yesterday's budget.

*Interjections.*

**Hon Mr Eves:** That's the simple fact. I know you wish it wasn't true, but it is true. I understand their displeasure. Before the budget, the leader of the official opposition was describing the tax cut as "massive," "reckless," "a huge tax slash," "mammoth," "crazy" and "a huge giveaway." Now you're calling it, as of yesterday: "Peanuts. You'll be lucky if you even notice it's there." Which way do you want it? You can't have it both ways.

## JOB CREATION

**Mr Gerry Phillips (Scarborough-Agincourt):** My question is on the budget as well. It has to do with jobs. I think the Minister of Finance will appreciate that we said this would be the most important element of this budget: the impact on jobs. Your government promised 725,000 jobs over your mandate.

We were very, very disappointed in the job forecast in the budget. It's on page 39. What it shows is that in 1998, three years into your mandate, there will be more people out of work in the province than when you came to office in 1995 — a very dismal job forecast, by your own numbers. These are the numbers in your budget: more people out of work in Ontario in 1998, three years into your mandate, than when you took office. For us, this is the most disappointing part of your budget, and one that we think is inexplicable and indefensible.

How could you present a budget that means there will be more people out of work in 1998 in the province of Ontario than in 1995?

**Hon Ernie L. Eves (Deputy Premier, Minister of Finance and Government House Leader):** The honourable member, because he takes great interest in these



matters and generally tries to do his homework in these matters, will certainly know that every year as we go on, there are more people coming on the rolls looking for employment in the province.

1400

*Interjection.*

**Hon Mr Eves:** Yes, there are, I say to the honourable member. If he wants to look at that page in the document he's talking about, the supporting 150 pages, which, by the way, we're the first government ever to do on presentation of a budgetary document in the province of Ontario —

**Mr Phillips:** That's nonsense.

**Hon Mr Eves:** There is no way you ever did that, and you know that. We're the first government to ever introduce the report that we filed with the US securities commission. You know that too.

Anyway, getting back to the honourable member's question, he knows that in that very document he's talking about it shows the percentage, the number of people coming on stream looking for employment, getting greater every year from 1995 to 1998. He also knows that in the last seven months there have been 75,000 net new jobs created in the province of Ontario, and he knows that on that basis, over the term of our government, we will far exceed 725,000 jobs.

**Mr Phillips:** Frankly, it is a sham. The numbers that the government has in its budget will come nowhere close to hitting your promised 725,000 jobs. You are falling far, far behind. You are seeing, by your own numbers, fewer than 300,000 jobs created in this province in your first three years.

The Premier is shaking his head no. He's wrong. You are wrong. I challenge you to prove me wrong. You're wrong, Premier; fewer than 300,000 jobs in your first three years.

The question is this: Are you now abandoning your target of 725,000 jobs now that you have proven that in your first three years you will create fewer than 300,000 jobs, fewer than 100,000 jobs a year? You are way behind your target. You are now seeing more people out of work than when you came to office. Your promise is a sham. Will you now at least acknowledge that you have abandoned your 725,000 job creation and that this budget will not deliver the promised increased jobs that you promised a mere few months ago during the campaign?

**Hon Mr Eves:** The honourable member will know that those projections with respect to job figures are extremely prudent, extremely cautious, do not take into account a tax cut and are the identical numbers that were used in the November 29 statement. He will also know that the fact that I just mentioned to him in answer to his initial question, that we have created 75,000 net new jobs in the last seven months in this province, is also a fact, and on an annualized basis the economy of the province of Ontario will produce, the private sector will produce, more than sufficient jobs to achieve our target of 725,000 jobs.

But I say to the honourable member that surely the honourable member is not complaining that private industry is creating jobs in the Ontario economy and that

more Ontarians are going to be given the opportunity and dignity of a job so they can contribute to Ontario society.

**Mr Phillips:** I'm complaining because your promise was a fraud and you're not delivering it. Today we finally heard the admission. What the Minister of Finance said was that unless things improve, unless things are better than the budget projects, you are not going to hit your 725,000 jobs. That's what you said. If the numbers in this document come true, you're not going to hit the numbers. That's what you confirmed today.

Will you now, Minister of Finance, confirm that unless the economy does significantly better than you have in here, you now are abandoning your job promise of 725,000 jobs, because that's what you said in your answer to my question?

**Hon Mr Eves:** I said no such thing. I said at the current rate the province's economy is creating over 10,000 new jobs a month. As a matter of fact, the honourable member probably also knows, but didn't refer to it in his question, for some reason, that the private sector alone in the last nine months has created 90,000 jobs in the Ontario economy; that's 300 jobs a day, every single day of the week, that the private sector is creating and has created in the last nine months, and that's before a tax reduction.

I'll be more than happy to stand in my place a year from now and discuss with him how many jobs have or haven't been created by private enterprise in the Ontario economy, and we'll see who's on target and who isn't on target to meet 725,000 jobs.

**The Speaker (Hon Allan K. McLean):** New question; third party.

**Ms Frances Lankin (Beaches-Woodbine):** I want to follow on that line of questioning but I want to direct my question to the Premier. The Premier seems very anxious to answer the question from the member for Scarborough-Agincourt, so perhaps he'll take the opportunity and answer the question as I put it forward.

I want to talk about the 725,000 jobs, because it's the only number that doesn't appear anywhere in your budget. I thought for sure I would see it, so when I got the budget I looked through it and it was nowhere to be found. I thought perhaps you had a new job projection number, so I looked all through the budget and couldn't find anything. Finally I asked your officials what the job projection numbers were and whether they could be found anywhere. They said, "Oh yes, sure," took out a briefing book, opened it up and showed us that over the first four years of your government, by the end of that time you will produce 289,000 jobs. That number is not in the budget, it's not in the budget papers —

**The Speaker:** Order. Put the signs down, please. Put them down.

**Ms Lankin:** That number is not in the budget, it's not in the budget papers, it's not in the budget highlights, it's not in Ontario Finances; it's nowhere to be seen.

**The Speaker:** This is a place for debate, not to demonstrate. Please put the signs down. I would ask the honourable members to put their signs down.

**Ms Lankin:** The budget provides job growth percentages of 1.5% in 1996 and 2% in 1998. I say to the



Premier, what you say to the people of Ontario essentially is, "You figure out what that means in terms of numbers," because the 289,000 doesn't show anywhere.

I know it must be really embarrassing for you to —

**The Speaker:** The question has been asked.

**Ms Lankin:** On a point of order, Mr Speaker: The question has not been asked. I am just about to put it.

**The Speaker:** Would you put your question.

**Ms Lankin:** I understand it must be embarrassing to abandon that promise, but the number is nowhere.

Premier, my question is, what is your motive for hiding the true impact of your budget on jobs and on the hundreds of thousands of Ontarians who are either looking for work or who are going to lose their jobs because of your cuts to the public sector to pay for the tax cut?

**Hon Michael D. Harris (Premier):** The Minister of Finance can answer that question.

**Hon Mr Eves:** The honourable member for Beaches-Woodbine will know that the basis upon which anything appears in a budgetary document or a financial projection document —

**The Speaker:** Order. The member for Welland-Thorold, I will not warn him again with regard to the signs in the Legislature.

**Hon Mr Eves:** Projections are based on cautious and prudent —

**The Speaker:** Order. I warned the member for Welland-Thorold. I feel bad, but I will have to name the member for Welland-Thorold.

*Mr Kormos was escorted from the chamber.*

**The Speaker:** The Minister of Finance.

**Hon Mr Eves:** The approach we have taken with respect to projections is based on prudent and cautious economic assumptions.

**Mr Bud Wildman (Algoma):** As opposed to your wild and crazy numbers.

**Hon Mr Eves:** Just a minute. We did the same thing in the July 21 statement and exceeded the target we had set for ourselves; we did the same thing in the November 29 statement and exceeded the target we had set for ourselves; we have set targets — you're quite correct — in the 1996-97 budgetary documents and we will be prepared to stand here and be judged on whether we achieve those targets or whether we don't on an annualized basis and again be judged on whether we achieve our targets or whether we don't at the end of our mandate.

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**Ms Lankin:** I'm disappointed that the Premier, who seemed to want to interject and answer our questions, wouldn't stand up and answer the questions, because it's his promise of the 725,000 jobs.

But I say to the Minister of Finance, you've now given us new projections then; you've abandoned the 725,000 jobs. Well, you shake your head no, but either you're going for 725,000 jobs, which means then you have no faith in the projections that you put in the budget — in fact, you're not even close: 289,000 jobs compared to 725,000 jobs. Those numbers aren't even remotely close. You want us to close our eyes and just believe in the Common Sense Revolution and hope that your budget numbers aren't right.

I guess my question to the finance minister is, is this an isolated case? Can you tell me, are there any other figures in the budget that you expect will be as far off the mark as you've just told us your job creation projections in the budget will be?

**Hon Mr Eves:** I just got through saying that any assumptions we make about the economy have been very prudent, very cautious, as we were advised to do by the Ontario Financial Review Commission. And I might say that we're setting aside for the first time a contingency reserve fund, for example, of \$650 million a year in case certain things happen in the economy that the province of Ontario cannot control. This year we're setting aside \$900 million in a restructuring fund to allow for restructuring at all levels of government and to account for one-time costs.

I think we've taken a very prudent and a very cautious approach. I've just told you, or your honourable colleague — I presume you listened to the answer — what the actual job creation numbers have been in the Ontario economy for the last seven months on a net basis and for the last nine months by the private sector. On any measure, according to that basis, and averaging it out over the next four or five years of our mandate, we indeed will exceed the target of 725,000 jobs.

**Ms Lankin:** In the Common Sense Revolution you promised 725,000 jobs. In the budget you say 289,000 jobs. You stand up here and say you're going to exceed 725,000 jobs and you're going to do it by putting some money in a reserve fund and a few — how does that help the people of Ontario who are unemployed today, who are looking for a job? Your budget doesn't focus on jobs at all.

It's worth remembering that in the Common Sense Revolution, that number of 725,000 which you put forward, you stood up and said that was a certified guarantee. You presented the names of Conservative Bay Street economists who said that would be the inevitable result of your revolutionary program. I guess there should have been a footnote that said, "This promise will be cut in half once competent officials get to look at it."

Mr Finance Minister, we're not surprised that we won't be seeing 725,000 jobs, given how busy you are chopping services and chopping public service jobs out there. You don't have any time left in your government's agenda to actually focus on job creation.

You've announced \$8 billion in cuts so far. We know there's much more pain to come as you face the task every year of having to pay for that tax cut. We know there's more pain, but we don't know how much because, once again, you haven't put the numbers in the budget, you haven't given us a hint of what your plans are after the current fiscal year.

My question is, do you have any idea how much more you're going to have to be cutting to balance the budget, and when are you going to let the people of Ontario in on this big secret?

**Hon Mr Eves:** There is no big secret. Expenditure reductions were outlined in the November 29 statement. My colleague the Chair of Management Board outlined for you a few weeks ago the progress that's been made to date.



**Ms Lankin:** You said yesterday there would be more.

**Hon Mr Eves:** Nobody said that. I said we would be carrying out the planned reductions announced in the November 29 statement, which you were brought up to date on about two or three weeks ago by the Chair of Management Board in this place.

The honourable member has a very short memory. The last six years that her government and the previous administration were in power, they created exactly no new net jobs in the last six years: five years of that administration, one year of that one, zero jobs — zero. In the last seven months alone, the Ontario economy has created 75,000 net new jobs in seven months. Does that indicate a slight change in attitude in the business community and in the investment community?

I firmly believe that the best job creation program is allowing taxpayers to keep more of their hard-earned money. I firmly believe that five million Ontario taxpayers will make their own personal decisions how to spend that money and that they will spend it much more effectively and much more wisely than any make-work temporary job creation program any government might do anywhere at any time.

#### TAX REDUCTION

**Mr Bud Wildman (Algoma):** I have a question of the Minister of Finance. In referring to memory, we remember what he said yesterday, and what he said yesterday was that there could be more cuts. I'd like to draw the minister's attention to the document that was part of the material given out yesterday, the examples of different people at various income levels who would get tax cuts and what the tax cuts would be.

I'd like to look at the effects of the tax cut in July 1996. For your example number 2, the family of four, one earner with an income of \$25,000 and two children — let's say this individual lives in Sudbury — you point out that the tax saving after three years would be \$295. By our calculations the tax saving for this year, starting in July, is \$22. That works out to \$1.70 for every two weeks, per paycheck.

Because of property tax increases already announced in Sudbury, they are going to have to pay \$75 more. Adult transit fees in Sudbury will mean they will pay \$76 more a year. This means that because of your government and the changes that have been brought in and the effects of those changes in terms of user fees, which is what they're going to be paying, and property taxes, which is what they're going to be paying, this family will be out more than \$200.

The day before yesterday the Premier said everybody would be better off on Tuesday as a result of the budget. Can you explain how this family, the very example you used, living in Sudbury, is better off as a result of the budget, starting this year?

**Hon Ernie L. Eves (Deputy Premier, Minister of Finance and Government House Leader):** That family he just speaks of is \$295 better off at the end of implementation, at the end of implementation, than they were before.

The honourable member I know wants to confuse the provincial income tax reduction of yesterday by injecting

other things that other people decide to invoke on their constituents. That is their decision. I'm telling you that as a result of the budget yesterday and as a result of the tax reduction, that family in example number 2, after the first two cuts in this fiscal year, will get a tax reduction — that is July 1 and January 1; we do operate in fiscal years around here — will be \$285 better off, and at the end of full implementation will be \$295 better off, and that will equate to a 57.4% savings in the amount of provincial income tax they pay.

**Mr Wildman:** I'm not trying to confuse anything. The fact is that when you take into account the user fee increases and the property tax increases that have come as a direct result of the cuts in transfer payments by this government, and as a matter of fact as a result of the very powers you gave the municipalities in Bill 26, they've made these increases.

Let's look at another example. Let's take the city of London as an example. We'll take a single man earning an income of \$35,000. The actual tax cut for 1996 is \$105 or about \$8 a paycheck. His property taxes have increased by a little over \$61. If he gets married, his licence fee will be \$22. If he goes to college to improve his job skills, as you all want him to do, it's going to cost him an extra \$84 because of increased tuition fees. This young man will have a net decrease of \$63, with all the changes as of July.

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*Interjections.*

**The Speaker:** The member for Dufferin-Peel, come to order.

**Mr Wildman:** How is this person better off because of the increase in tuition fees, user fees, licence fees and property taxes which are a result of the cuts already announced by your government?

**Hon Mr Eves:** Decisions which regional or local governments make on their own to account for a 2% to 3% reduction in their total expenditures is their responsibility. I happen to think that municipalities, school boards and other local representatives can deal with 2% to 3% reduction in their total expenditures without raising user fees, without raising local taxes. If they choose to do so, they will have to answer to their constituents when they come up for re-election, the same as we will answer to our constituents.

But I can tell you that as a result of the budget tax reduction measures announced yesterday, a single individual under 65 years of age with no dependants and employment income of \$35,000 will have, when the tax reduction is fully implemented, \$875 a year, or a 30.2% tax reduction.

**Mr Howard Hampton (Rainy River):** This is so phoney. You are completely phoney.

**The Speaker:** The member for Rainy River, come to order.

**Mr Wildman:** This is really something to hear from a finance minister who only yesterday in his own budget address complained about the cuts in transfer payments from the federal government and what effect it was having on you. You've done exactly the same thing to the municipalities. You can't say they're not related.



The Premier's very fond of saying there's only one taxpayer. Well, there is only one taxpayer, and they're getting shafted as a result of what you've done.

*Interjection.*

**The Speaker:** The member for London North, come to order.

**Mr Wildman:** Let's take another example: a single parent of two children who earns \$30,000. The real tax cut in 1996 is \$45 or about \$3.50 a paycheque. Living in Metropolitan Toronto, she faces a property tax increase of 30 bucks. She faces transit increases of \$344. That means she's going to have less than \$328 less.

**Hon Mr Eves:** You don't have the federal income tax.

**Mr Wildman:** No, you cut back on transit, not the feds.

The Treasurer can't get away with this. He can't say these increases in property taxes and the user fees at the municipal level have nothing to do with him. They have everything to do with your cuts in transfer payments. You can't get away with this.

This person is going to be out at least \$328 this year. We haven't counted in all the possible increases that might be there, and you said there may be further cuts. How can you continue to say, as the Premier did on Monday, that this person living in Metropolitan Toronto is better off as a result of your budget? They're paying more and they're getting less.

**Hon Mr Eves:** The group of people he is concerned about, and I share his concern, income earners between \$25,000 and \$75,000 a year, when this tax reduction is fully implemented will receive \$3 billion a year less of a tax burden in provincial income tax than they did before we started.

*Interjection.*

**The Speaker:** The member for Rainy River.

**Hon Mr Eves:** The earner he's talking about, the example he's talking about, a sole-support parent with one child, with employment income of \$30,000 and assuming \$5,000 in child care expenses, at the end of the implementation will get a tax reduction of \$400 on an annualized basis, or 35.1%.

I just have one more comment for the leader of the third party. Coming from a party, from a government, that left us and the people of Ontario with an \$11.2-billion deficit, coming from a party sitting beside a party that over the last 10 years increased taxes 65 times in the province, 11 in provincial income taxes alone, how dare you have the gall to talk about tax increases and increased expenditures? You have a lot of nerve.

#### PROVINCIAL DEFICIT AND DEBT

**Mr Gerry Phillips (Scarborough-Agincourt):** My question is to the Premier and has to do with the budget. Another interesting page in the budget for many people was the page that indicated that for the next four years you'll continue to run significant deficits. It's on page 43. You can see that over the next four years it is your government's plan to add about \$22 billion to the debt of the province, a substantial increase in the debt of the province. Using your calculations, I think over that period of time, just to pay the interest on that increased debt, the

province of Ontario taxpayers will have to spend about \$5 billion.

If the deficit and debt are such a huge problem and if it is the number one fiscal issue, after jobs, for the province to tackle, can you explain to the people of Ontario why we should be borrowing billions and billions and billions of dollars to fund the tax cut when we have to pay interest on that tax cut borrowing?

**Hon Michael D. Harris (Premier):** I know the Minister of Finance would be pleased to answer that.

*Interjection.*

**The Speaker (Hon Allan K. McLean):** The member for Essex South is out of order.

*Interjections.*

**The Speaker:** It's your time.

**Hon Ernie L. Eves (Deputy Premier, Minister of Finance and Government House Leader):** The honourable member for Scarborough-Agincourt knows full well that because of the accumulated debt, which is now approaching \$100 billion, those costs are going to go up every single year until the budget is balanced, until the deficit is eliminated on an annualized basis in the province of Ontario. And yes, he's quite correct. It is estimated that is going to require another anywhere from \$19 billion to \$22 billion to be added to the accumulated debt in the province of Ontario.

But I would say to him that if we had merely left in place the same philosophy, spending habits, programs and taxation precedents set by you and you, we would be adding at least \$10 billion a year in deficits. Over five years, that's \$50 billion. We would have added about another \$10 billion in increased public debt interest costs. We would have spent another \$60 billion doing it your way, which didn't work.

**Mr Phillips:** The Minister of Finance clearly doesn't want to answer the question. The question is very simple.

*Interjection.*

**Mr Phillips:** No, you didn't answer the question. The fact is that the province of Ontario, the taxpayers of Ontario, are going to have to borrow billions and billions and billions of dollars to pay for the tax cut, the interest on it.

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Here's the issue: I had a couple come to my office the other day who have had their support cut from \$1,000 a month to \$800 a month and have to move out of their apartment into a basement apartment. Why? "To fight the deficit and the debt." That's the answer. "We have such a huge problem in this province. You leave your apartment." They're about 60 years old. They've lost their jobs, they've lost their business, they're moving into a basement apartment. Why? To fight the deficit and the debt. But at the same time yesterday, someone in this province making \$150,000 a year gets a \$5,000-a-year tax break.

Those are your numbers. We can find \$5,000 a year, we can borrow \$5,000 a year to give that person a tax break, but we can't afford to help people who are desperate and who have to move into a basement apartment.

My question is very simple: How can we afford to borrow those billions and billions of dollars to pay for the tax break if the deficit and debt is such a big problem?



**Hon Mr Eves:** Very simply, to the honourable member for Scarborough-Agincourt, the annualized interest cost on the accumulated debt, which tripled between 1985 and 1995, by the way, is approaching \$9 billion a year, and that is why we are borrowing money. The previous tax-and-spend philosophies of the last 10 years have accumulated a debt of close to \$100 billion and left your children and your grandchildren saddled with this legacy of debt. That is why we are borrowing money — not for any tax cut — to pay the interest on your unbalanced credit card of \$100 billion.

### TAX REDUCTION

**Mr Bud Wildman (Algoma):** I'd like to go to the Premier referring to the same document that I referred to a moment ago, a budget backgrounder that was given out yesterday with the examples, and I'd like to go to the first example. This is a senior citizen with a total income of \$20,000 from old age security and a pension. The saving, according to the document after full implementation, is \$270 after three years. But in 1996 this individual will get a whopping \$35.

Now, let's say this person lives in Hamilton. I want to point out a couple of examples here that relate directly to the provincial government's funding. In Hamilton, this individual would use DARTS, the Disabled and Aged Regional Transit System, three times a week to go to the seniors' centre, doctor's appointment, shopping and other things. Due to your government's cutbacks to DARTS, the service has raised its rates by 40 cents a ride and added a new registration fee of \$15. That's an extra \$130 a year directly related to your funding.

Also this senior, if she uses prescription drugs under the Ontario drug benefit plan, using six different prescription drugs in a month, that would mean an extra charge of \$144 per year. That adds up to \$272 in extra fees per year. She gets \$35 this year. That means she's losing, as a result of your government, \$239 this year in less income. How can you still claim, Mr Premier, that this individual is better off now than she was on Monday?

**Hon Michael D. Harris (Premier):** The question deals with the budget, and the man who drafted it should answer.

**Hon Ernie L. Eves (Deputy Premier, Minister of Finance and Government House Leader):** The leader of the third party knows that if you're talking about the tax reduction measures announced in the budget yesterday, that individual he speaks of, at the end of full implementation, will save on their provincial income tax \$270 on an annualized basis or 30.2%.

**Mr Wildman:** The fact is, she's still out \$239 this year, and it's the government's own example. We didn't just make it up.

*Interjections.*

**The Speaker (Hon Allan K. McLean):** The member for Cochrane North. The member for Oriole.

**Mr Wildman:** Yesterday, as a result of the budget, the Ontario Coalition of Senior Citizens' Organizations said the following: "With the continuous cutting of services, new user fees and impending closures of health care

facilities, Mike Harris has decided to implement a budget that rewards the rich and punishes the poor."

Seniors are going to have to pay higher user fees, a direct result of your government's cuts. Will you not admit that an individual like the example you pointed out in your budget backgrounder is worse off now as a result of everything that's happened since last July — July, November, and yesterday's budget?

**Hon Mr Eves:** Talking about health care and seniors in Ontario, I know it must dismay the honourable member to have learned yesterday that the budget for the Ministry of Health this year is \$17.7 billion, \$300 million more than we promised to deliver in the election campaign.

**Mr Dominic Agostino (Hamilton East):** Tell that to the nurses you laid off, Ernie. Tell that to the nurses.

**The Speaker:** The member for Hamilton East.

**Hon Mr Eves:** We are doing exactly what we said we'd do. As we find savings in the health care field, the Minister of Health is reinvesting them in new technologies and new programs, including, I might add, \$170 million in this fiscal year alone to help senior citizens and disabled people in the province of Ontario. Surely he is aware of that. Why didn't you take those amounts, that \$300 million and that \$170 million, into account in your calculations?

### LAND TRANSFER TAX

**Mr John R. Baird (Nepean):** My question is to the Minister of Municipal Affairs and Housing. The government introduced in its budget some good news for first-time home buyers across the province of Ontario. Could the minister outline the specifics about this important initiative, how it will work and who is eligible for this new program?

**Hon Al Leach (Minister of Municipal Affairs and Housing):** I thank the member for his question. It's nice to have a question from somebody who recognizes how good that budget really was yesterday.

I can tell the member that there was some fantastic news in yesterday's budget for first-time home buyers in Ontario. Effective May 7, 1996, to March 31, 1997, first-time home buyers of newly constructed homes will receive a refund of their land transfer tax up to a maximum of \$1,750. The first-time home buyers must be over 18 years of age and cannot have previously owned an interest in a house. Coupled with lower interest rates and more affordable pricing, this rebate will help bring home ownership within the reach of thousands of Ontario families.

**Mr Baird:** I think that's good news for hardworking Ontarians struggling to realize their dream of owning their own home, a dream that's become harder and harder, out of reach. The land transfer rebate coupled with the tax cuts will help thousands of families realize their goal of home ownership.

Could the minister tell this House what effect this will have on the construction sector? In my region, the construction industry is experiencing some very difficult times. Could the minister tell this House the reaction he



has received from the many stakeholders regarding this rebate?

**Hon Mr Leach:** I had an opportunity to speak to members of the Ontario Home Builders' Association yesterday, and I can tell you they're absolutely ecstatic with this news. The industry has stated that for every \$1,000 reduction in the cost of new homes, some 1,500 new construction jobs are created, jobs that will also be created by furnishings, fridges, stoves, everything else that goes into the construction of a new home. We think this is absolutely great news for the construction industry, retailers and everybody in Ontario.

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### VIDEO LOTTERY TERMINALS

**Mr James J. Bradley (St Catharines):** My question is for the Minister of Finance. Years ago, the government of Ontario introduced gambling in the form of lotteries. I think the Wintario ticket in those days cost a dollar or something like that. Despite the opposition of the Premier and the Treasurer, and very honest opposition, I know, to casino gambling, we had casino gambling introduced by the next government, and that is a situation we must face today; those are situations we face today. That represented, however, an escalation in the gambling scene.

Now, and I find this difficult to believe, you are introducing the most insidious form of gambling, video gambling machines, in bars across this province, among other places. They're known as VLTs. They provide instant gratification to those who are addicted to gambling. Why, Minister, have you abandoned — and I see the answer coming in. He's always got an answer from the whip. I really and honestly respected the position that you took. Why, Minister, have you abandoned your own personal views, views I have respected, to prey upon the most vulnerable and the most desperate people in our society?

**Hon Ernie L. Eves (Deputy Premier, Minister of Finance and Government House Leader):** The reference to video lottery terminals in the budget really was in response to having control over the 15,000 to 16,000 — the OPP's estimate — illegal video lottery terminals operating in the province today which are not subject to any sort of regulation or control whatsoever.

Also, with respect to charity —

**Ms Frances Lankin (Beaches-Woodbine):** Beef up your law enforcement.

**Hon Mr Eves:** You should talk. You were there when they were injected into Ontario society.

The reality is that there are 15,000 to 16,000 illegal VLTs operating in the province of Ontario right now. What we are proposing are VLTs in a very controlled and monitored atmosphere, controlled by the Ontario Lottery Corp. We will then be in a position to decide whether or not that VLT network should be expanded. But right now, quite frankly, illegal gaming activity is growing like Topsy in Ontario. There are no controls over it and this will tightly monitor and control VLT machines and having, I might add, the combined impact of providing charitable organizations in the province with upwards of an additional \$180 million a year in revenues.

**Mr Bradley:** That is like saying that because people are robbing banks, we should make robbing banks legal. That wouldn't make sense.

I remember the many excellent speeches you and the Premier made on the evils of gambling and particularly government-sponsored gambling. I know the government will gain hundreds of millions of dollars from this, and I know Treasurers want to see that happen, and I know that the charities you say are going to gain will gain as well, and I know that those who own the buildings are going to gain.

But you know that the people who will play these machines will be the people who are most desperate: people who aren't well-connected in our society so they can get jobs, because they don't know the powerful and the privileged people; people who often didn't have the chance to get an education; people who are addicted to gambling. How can you justify embarking upon this ill-advised policy which will end up being a tax on the poor, the disadvantaged, the desperate in this province?

**Hon Mr Eves:** I would like to bring to the honourable member's attention comments by the executive director of the Canadian Foundation on Compulsive Gambling. Upon hearing that the provincial government is planning on setting aside 2% of video lottery terminal revenues to establish a comprehensive program on a problem and compulsive gambling strategy that will include public awareness, prevention, treatment and research components, he said, and I quote: "After 14 years of struggling alone to place the issue of problem and compulsive gambling in the consciousness of the gaming providers in Ontario, a light finally begins to shine at the end of the tunnel of the problem of compulsive gambling."

### SPENDING REDUCTIONS

**Ms Frances Lankin (Beaches-Woodbine):** I want to return to the finance minister. In my previous question I talked about some of the numbers that weren't there, and specifically I referred to the fact that nowhere in your budget was there any projection on jobs. Something else that is missing from your budget is any detailed information on how on earth you plan to meet the fiscal targets you've set out.

With economic growth projected at a mere 1.9% and 2.8%, revenues are down from what you had projected earlier. The Common Sense Revolution fiscal plan is based on much higher economic growth. In spite of the change in economic outlook, you still plan to meet those fiscal targets, but you don't tell us how. When we take a look at this, we figure you either miss your fiscal targets or you're going to have to cut more than the \$8 billion to meet those fiscal targets.

You indicated in media comments yesterday that you don't deny that there may be more cuts, and yet in response to my question earlier you seemed to be indicating that there will not be more cuts. Will you stand in your place today and tell us which way it is? Are you saying that there will not be any more cuts in addition to the \$8 billion you have set out already?

**Hon Ernie L. Eves (Deputy Premier, Minister of Finance and Government House Leader):** We have



been very prudent and cautious in our forecasting, and we've done that deliberately. The honourable member is quite correct in pointing out that we are projecting, on a very prudent and cautious basis, growth in the GDP in the province of Ontario of 1.9% for this coming fiscal year. She will also know that in our July 21 statement we made certain projections, and we exceeded those. She will know that in our November 29 statement we made some projections; we exceeded those. I have every reason to believe we will exceed the growth projections outlined in the 1996-97 budget.

She also knows it is very difficult to project figures much beyond a two-year period of time. That is what the federal government does on a regular basis when presenting its budget. That is what we are doing here. I have every reason to believe we will meet the targets set in our budgetary document of yesterday.

**Ms Lankin:** The only conclusion you can draw is that the targets you set out in the Common Sense Revolution weren't prudent or cautious. Of course, we already knew that.

My question to you was, any more cuts or no more cuts? Are you saying there may be more cuts or there definitely won't be more cuts? Yesterday you said to the media that you don't deny that there may be more cuts. That's not what your Premier said. Your Premier, when the announcements came out around the \$8 billion, said directly in this House and directly to the media: "That's it. No more cuts. We've done all the cutting we need to do. The spending problem is fixed in this province."

Yesterday's budget really flies in the face of everything your government has been saying. What we did see in the budget is that the tax cut won't pay for itself, contrary to what your Premier said. It will cost about \$22 billion over the course of the next number of years, by the time you implement it; it will cost about \$5 billion a year annually. Revenue growth in your medium-term fiscal plan is based on economic forecasts that show no growth as a result of your tax cut, again contrary to what your Premier said.

There are more cuts coming. There have to be because your deficit targets bear no relation to the revenue projections minus the spending reductions you have so far announced. Will you reveal to the people of Ontario how you plan to meet your deficit reduction plan and when you will announce the next round of cuts that we all know will be coming?

**Hon Mr Eves:** I can't announce that because we don't all know — at least I don't know — that will be coming. We have made certain cautious and prudent projections in the budgetary document. We will meet those projections that are outlined in the budgetary document. It's that simple.

Talking about adding \$22 billion to the deficit, which she alluded to in her question, boy, I'll tell you, from a government that left the people of Ontario for the past fiscal year with an \$11.2-billion deficit for one year alone and \$9 billion in interest costs for that one year alone, there's \$20 billion right there in one year. What are you talking about?

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## PETITIONS

### COLLEGE OF TEACHERS

**Mr Alvin Curling (Scarborough North):** I have a petition to the Ontario Legislature.

"Whereas the public secondary teachers of Ontario have taken a workplace democracy vote in accordance with Bill 7, and have rejected the proposed College of Teachers by a 94.8% vote;

"We, the undersigned, urge the provincial assembly to instruct the government to withdraw Bill 31, the Ontario College of Teachers Act, 1995."

I affix my signature to those who have signed this petition.

### ONTARIO HYDRO

**Ms Marilyn Churley (Riverdale):** I have a petition with hundreds and hundreds of signatures from people to the Legislature of Ontario.

"Whereas the matter of selling Ontario Hydro is likely to come before the Legislature in the near future; and

"Whereas we are residents of Ontario who have paid for Ontario Hydro; and

"Whereas we are concerned that privatization will lead to higher rates, lower reliability and will compromise nuclear safety;

"Therefore we, the undersigned, do petition the Legislature of Ontario to preserve public ownership of Ontario Hydro by refusing to sell it."

I affix my signature to this petition.

### CHILD CARE

**Mr Rob Sampson (Mississauga West):** I have a petition to the Legislative Assembly of Ontario.

"Whereas the Ministry of Community and Social Services is undertaking a review of the child care system in Ontario;

"We, the undersigned, do petition the Legislative Assembly of Ontario to restore stability and balance to the child care system by:

"(1) Ensuring that all licensed child care providers are treated equally, with all sectors having the same benefits and responsibilities;

"(2) Ensuring that all licensed child care centre staff receive the same benefits from government, specifically the wage enhancement grants;

"(3) Ensuring that all funds go directly to the provision of care for children and families in need."

I affix my signature.

### FAMILY SUPPORT PLAN

**Mr Rick Bartolucci (Sudbury):** "To the Legislative Assembly of Ontario:

"Whereas we believe that the family support plan is a viable and necessary service provided by the government of Ontario;



"We, the undersigned, hereby petition the Legislative Assembly of Ontario as follows:

"That the proposed centralization of the family support plan will have a negative impact on the children who are supported under this plan and should be cancelled."

I have signed my name to the petition as I believe in it.

#### BUS TRANSPORTATION

**Mr Howard Hampton (Rainy River):** I have a petition to the Legislative Assembly of Ontario.

"Transportation Minister Al Palladini is proposing legislation that will cost many towns their bus service.

"Bus companies are currently required to provide service for smaller towns as a condition of being given the rights to high-profit routes and charter markets. Minister Palladini's plan to deregulate will eliminate all conditions and requirements. As a result, hundreds of smaller communities like ours will lose bus service.

"Minister, people in smaller towns need bus service just as much as people in big cities. We depend upon buses to visit friends and family, to get to appointments in nearby towns, to ship our Christmas presents and to receive our repair parts.

"The undersigned call upon the members of the Legislative Assembly to oppose bus deregulation and the elimination of our bus service."

This is signed by a number of residents from eastern Ontario, and I have affixed my signature as well.

#### NON-PROFIT HOUSING

**Mr Leo Jordan (Lanark-Renfrew):** I have a petition I'm presenting on behalf of the Honourable Robert Runciman, Solicitor General. It's from Leeds-Grenville to the Legislative Assembly of Ontario.

"We, the undersigned residents of Legion Village 96, a community of veterans, seniors and physically challenged, are concerned that our homes will be lost because of the government's cuts to non-profit housing projects and will undermine their financial liability. Low-income families and the most vulnerable in our communities will suffer devastating hardship because of cuts to the numbers of needy people receiving rent-geared-to-income assistance and increased rents for those currently receiving such assistance.

"We call upon you to stop these government actions that seriously jeopardize our futures and the ongoing viability of our non-profit housing committee."

#### RENT REGULATION

**Mr Dominic Agostino (Hamilton East):** I have a petition signed by constituents of my riding of Hamilton East in regard to rent control. The petition reads:

"We, the undersigned, believe that rent control abolition would lead to a steep rise in rents due to a persistent shortage of affordable housing in Hamilton-Wentworth.

"Tenants, who were among the most affected by ongoing mass layoffs, wage cuts and hiring freezes, and senior citizens on fixed incomes, will suffer greatly if rent controls are abolished.

"We are not in favour of the abolition of rent controls by this government and would urge this government to reconsider this action."

I sign my name to the petition.

#### GOVERNMENT ADVERTISING

**Mr Bernard Grandmaitre (Ottawa East):** I have a petition that reads:

"Whereas the people of Ontario are being subjected to the most drastic reduction in services in the history of the province; and

"Whereas the Premier has required that the people of this province pay higher user fees and property taxes; and

"Whereas the Premier and his ministers have preached restraint to all who have requested funding from the provincial government;

"We, the undersigned, request that the government of Ontario not embark upon an advertising campaign using taxpayers' dollars and designed to sell the Ontario budget to the people of the province."

I have signed the petition.

#### MIDDLEBURY PUBLIC SCHOOL

**Mr Rob Sampson (Mississauga West):** I have another petition to present on behalf of the member for Mississauga North as a result of a petition created by the parents of Middlebury public school and other residents of Mississauga concerning the overcrowding issue in that particular school, and I put my signature to the petition.

#### ALZHEIMER RESPITE CARE

**Mrs Elinor Caplan (Orillia):** I have a petition to the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario.

"Whereas the Niagara region has one of the highest per capita populations of seniors in Ontario; and

"Whereas the Niagara region ranks 32nd out of 38 health regions in long-term-care funding and that more individuals wait for support services from the March of Dimes than those who actually are served by it; and

"Whereas Alzheimer patients who critically depend on support services in order to cope in a more humane way with this devastating illness continue to suffer from unacceptable delays in receiving respite care; and

"Whereas more than half of all Ontario families waiting for Alzheimer-related respite care reside in the Niagara area;

"We, the following undersigned citizens of Ontario, beg leave to petition the Parliament of Ontario to adopt the plan by the Niagara Regional District Health Council which would help improve the way vulnerable people are treated in the Niagara area."

I affix my signature to this important petition.

#### RENT REGULATION

**Mr Mike Colle (Oakwood):** "To the Legislature of Ontario:

"Whereas the Harris government is planning to remove rent controls; and

"Whereas removal of rent control legislation breaks a campaign promise made by Conservatives during the election; and

"Whereas a great number of tenants are seniors and people on fixed incomes who may have had their income cut by 22% due to social assistance cuts and cannot afford an increase in their rent; and

"Whereas growing unemployment and the scarcity of affordable housing in Metro makes removal of rent controls an even greater disaster for tenants and for people who cannot afford to buy homes;

"We, the undersigned, petition the Legislature of Ontario as follows:

"That the government of Ontario keep its pre-election promise and not remove rent controls, and continue with the Landlord and Tenant Act and Rental Housing Protection Act."

I affix my name to this petition.

#### TRANSITION HOUSE

**Mr Pat Hoy (Essex-Kent):** "To the Legislative Assembly of Ontario:

"Whereas Transition House in Chatham has provided emergency shelter to troubled or abused youth as well as support, counselling and life skills training since 1990, and, operating on a five-year budget of \$865,000, they have counselled over 400 youth and served over 20,000 meals; and

"Whereas the city of Chatham and the county of Kent rely on Transition House to meet the needs of its troubled youth and there is no other facility to serve the needs of the community; and

"Whereas the principles of discipline, self-help and a regimented environment at Transition House have combined with counselling and support to provide youth with the motivation and self-respect to return to school or find jobs; and

"Whereas the government of Ontario has cut its direct funding to Transition House by almost \$48,000 annually and places the existence of Transition House in jeopardy;

"Be it therefore resolved that we, the undersigned, urge the government of Ontario to reverse its decision to cut the funding of Transition House in Chatham."

This petition is signed by a number of residents of Kent and Chatham.

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#### LIQUOR CONTROL BOARD OF ONTARIO

**Mr Joseph Cordiano (Lawrence):** To the government of Ontario:

"Whereas the government of Ontario appears to be moving towards the privatization of retail liquor and spirit sales in the province; and

"Whereas the LCBO provides a safe, secure and controlled way of retailing alcoholic beverages; and

"Whereas the LCBO provides the best method of restricting the sale of liquor to minors in Ontario; and

"Whereas the LCBO has an excellent program of quality control of the products sold in its stores; and

"Whereas the LCBO provides a wide selection of product to its customers in modern, convenient stores; and

"Whereas the LCBO has moved forward with the times, sensitive to the needs of its customers and its clients; and

"Whereas the LCBO is an important instrument for the promotion and sale of Ontario wine and thereby contributes immensely to the grape-growing and wine production industry;

"Therefore, be it resolved that the government of Ontario abandon its plan to turn over the sale of liquor and spirits to private liquor stores and retain the LCBO for this purpose."

#### ONTARIO HYDRO

**Mr John O'Toole (Durham East):** I rise to present a petition to the Parliament of Ontario.

"We, the undersigned, petition the Parliament of Ontario to not proceed with the privatization of Ontario Hydro, especially the nuclear component which represents a potential safety threat to the people of Ontario, especially those in the Darlington area, in any unregulated environment."

#### COLLEGE OF TEACHERS

**Mr Pat Hoy (Essex-Kent):** I have a petition to the Ontario Legislature.

"Whereas the public secondary teachers of Ontario have taken a workplace democracy vote in accordance with Bill 7, and have rejected the proposed College of Teachers by a 94.8% vote;

"We, the undersigned, urge the provincial assembly to instruct the government to withdraw Bill 31, the Ontario College of Teachers Act, 1995."

I have affixed my signature to it.

#### RENT REGULATION

**Mrs Elinor Caplan (Orlino):** I have a petition to the Legislative Assembly of Ontario.

"Whereas the Harris government is planning to remove rent controls; and

"Whereas the removal of rent control legislation breaks a campaign promise made by the Conservatives during the election; and

"Whereas a great number of tenants are seniors and people on fixed incomes and many have had their incomes cut by 22% due to social assistance cuts and cannot afford increases in their rents; and

"Whereas growing unemployment and the scarcity of affordable housing in Metro makes the removal of rent control an even greater disaster for tenants and for people who cannot afford to buy homes;

"We, the undersigned, petition the Legislature of Ontario as follows:

"That the government of Ontario keep their pre-election promise and not remove rent controls and continue with the Landlord and Tenant Act and Rental Housing Protection Act."

I support this petition and I add my signature to it.

#### ONTARIO HYDRO

**Mr Michael Gravelle (Port Arthur):** "To the Legislature of Ontario:



"Whereas the matter of selling Ontario Hydro is likely to come before the Legislature in the near future; and

"Whereas we, the undersigned residents of Ontario, who have, through the payment of electricity rates, paid for Ontario Hydro, are concerned about privatization of Ontario Hydro, leading to higher rates, lower reliability and compromised nuclear safety,

"We, the undersigned, petition the Legislature of Ontario as follows:

"Please preserve the public ownership of Ontario Hydro and refuse to sell this important public asset."

I am proud to sign my name to it.

## REPORTS BY COMMITTEES

### STANDING COMMITTEE ON GOVERNMENT AGENCIES

Mr Laughren from the standing committee on government agencies presented the committee's ninth report.

**The Speaker (Hon Allan K. McLean):** Does the Chair wish to make a brief statement? Pursuant to standing order 106(g)11, the report is deemed to be adopted by the House.

## INTRODUCTION OF BILLS

### INTERNATIONAL FUEL TAX AGREEMENT IMPLEMENTATION ACT, 1996 LOI DE 1996 METTANT EN OEUVRE L'ACCORD APPELÉ INTERNATIONAL FUEL TAX AGREEMENT

Mr David Johnson moved first reading of the following bill:

Bill 48, An Act to implement the International Fuel Tax Agreement / Projet de loi 48, Loi mettant en oeuvre l'accord appelé International Fuel Tax Agreement.

#### *Interjections*

**The Speaker (Hon Allan K. McLean):** Is it the pleasure of the House that the motion carry? Carried.

**Hon David Johnson (Chair of the Management Board of Cabinet):** I wish to say, since I'm asked from the opposite side, that this bill will enable Ontario to join all other Canadian provinces and most American states as a member of IFTA, the international fuel tax agreement. This will enable the interjurisdictional truck and bus companies to participate in a streamlined decal, registration and fuel tax system and greatly reduce their costs. The bill is consistent with cutting red tape and is supported by the trucking industry in the province of Ontario.

## ORDERS OF THE DAY

### 1996 ONTARIO BUDGET

Resuming the adjourned debate on the motion that this House approves in general the budgetary policy of the government.

**Mrs Lyn McLeod (Leader of the Opposition):** We have finally, after almost a year of this new government, had the government present a budget. They have spent a great deal of time and have worked very hard to present something they might call their good-news budget.

They have spent almost a year slashing and burning, destroying programs and services that have taken years to build in this province. In the 10 months that this government has been in office, it has inflicted more pain on more people than any government in history. They have raised anxiety and frustration and sheer anger to new heights; now they have something to offer that the government believes people will think is good news at last.

I find myself wondering today, if this budget is such good news, why did the Premier have to spend so much time before he brought out the budget trying to sell it? Why did he have to work so hard trying to create a fertile climate his good news could fall on so that it would be well received?

You have to wonder why the headlines that were leading up to this supposed good-news budget were so sceptical. I brought just a sample of these headlines.

From the Toronto Star: "Harris' Faith in Tax Cuts More Mystical Than Factual."

"Damn the Torpedoes." "It's full speed ahead for the Tories' tax cuts despite critics' warnings."

From the Globe and Mail: "Tax Cut Not Hailed by Everyone." "On eve of budget, 'conscientious objectors' work to forgo Ontario Tory pledge."

Perhaps surprisingly the headline from the Financial Post: "Ernest Cuts Taxes." "Ontario Finance Minister Ernie Eves is cutting taxes so that Ontario can enjoy the kind of growth Michigan achieved by doing the same thing. But there's one little problem. When Michigan cut state income taxes, it didn't slash public sector jobs and spending at the same time" — just one little problem.

You wonder why there are so many doubters, why there are so many sceptics about a tax cut that is supposed to be such good news. The reason is very simple. The reason there is so much scepticism is because most people are wise enough to know that there's not much good in this budget for them.

We've used examples of people who were not going to get much from this budget, and seniors are among that group of people. If you are a senior on a fixed income, you're going to get a few dollars from the tax cut, and it is a very few dollars indeed, but you're going to have to pay a fee for your prescription drugs, a direct result of the policy this government brought in, a new user fee this government introduced on seniors and the disabled. That prescription drug fee is going to eat into those very few dollars that seniors were going to get back from the tax cut.

If you're a senior who lives in Toronto you'll pay more for transit, because the cut to Toronto transit by this government left Toronto transit facing no choice but to raise their fees, and they had to raise their fees even for seniors and for students.

And it's quite possible if you're a senior that you're going to end up paying more property taxes, if you've been able to hold on to your own home, and we all know how devastating that is for seniors on fixed incomes, but



if you happen to be in an apartment as a senior, and it's a non-profit apartment, you're worried about whether or not your rent is going to go up. Seniors, people on fixed incomes, are going to be out of pocket, not have more dollars, because of this government's policies.

1510

If you're a student, you're probably not going to have much income, so you're probably not going to get much of a tax cut at all, so let me acknowledge that. This was not a budget for students. But the students are going to pay a price for the tax cut. The students know they're going to have to pay \$490 more on average to go to school, to college or university, this September. They're going to have to pay that \$490 whether they got any tax cut or not, and they're also going to have to pay those increased transit costs of about \$264 a year. So you're certainly not going to find that students are winners with this good-news budget.

If you're a middle-income family, that very group of people this government keeps saying they want to gear their tax cut to, they want to gear their benefits to, well, that middle-income family is just going to get hit coming and going, as they've been getting hit for the past 10 months.

We used an example in the House today, as we did Monday when the Premier told us this was all impossible, but as his tax cut yesterday proved, our figures were right, our numbers were right, when it comes to looking at middle-income families. We used the example of a family with two people working, earning \$50,000, two incomes of \$25,000, and we supposed that this family, being a perhaps typical family, would have one child in college or university. We looked at the kinds of fees they would have to pay: new municipal recreation fees, new garbage fees, new water fees, new property taxes and school board taxes, the cost of that student transit pass, the cost of transit pass increases for themselves and the increased tuition for that university student. We looked at the \$512 that family would get back in a full year of this income tax cut and we looked at the costs they were going to have to pay, and the \$512 had to be balanced against about \$1,174 in new costs. That particular middle-income family would then be facing a net loss in their in-pocket income of about \$662. That's what's happening to middle-income families with this supposedly good-news budget.

When we presented again to the Premier and the government our concerns that the user fees and the new taxes that are a direct result of this government's cuts and this government's policies, this government's Bill 26, giving the municipalities not only permission but encouragement to put in place new user fees, the same user fees the Premier used to call a tax, but now somehow they're not new taxes, they're just a user fee, that municipalities were encouraged to put in place in order to make up for the cuts that this government was giving to municipalities; when we suggested that those new user fees and those new taxes were going to eat up any dollars that a middle-income family or a lower-income family might get from a tax cut, the Premier and the finance minister said: "None of that is our responsibility. That's purely hypothetical. That's not really happening." Well, it is happening, and we're keeping track of just some of the

user fees that are being put in place. Let me just give you a few examples.

In Brantford, sewer and water charges are up by 50 cents per cubic metre, and they're looking for \$700,000 from that; parking fines have been quadrupled; there's been a \$5 increase in arena rental fees; there are increased fees for community centres and parks facilities and cemeteries.

You go to Elliot Lake where there's a \$2,000 increase in fees to take planning issues to the Ontario Municipal Board. You go to Kingston where there's a \$400 fee for a review of a subdivision plan.

You go to St Catharines, where there's a \$5 increase in fees at seniors centres — there's those seniors getting hit again — a \$130 fee for scattering cremation remains, a \$10 to \$18 increase in arena rental fees. Get the middle-income family with the kids.

North York: a \$300 fee for fire calls to out-of-town vehicles, a \$1,200 fee for fire responses to false alarms, and they're looking at a \$3-per-bag fee for garbage.

The Metropolitan Police Services Board: a \$200 charge for job applications, a \$35 charge for police reports on lost or stolen passports.

The Upper Thames Conservation Authority: an increase of \$10.50 for a season's pass. In Stoney Creek, a 50% cost recovery on sports facilities, meaning a \$5,000 increase for the Stoney Creek Minor Softball Association and a 75% increase in arena fees. In Sault Ste Marie, a new \$20 user fee at the seniors centre.

Those are just some of the new user fees, which Mike Harris used to call increased taxes, that are already happening, and it is just beginning. It is a direct result of the kinds of cuts that are being driven by the tax cut this government introduced yesterday.

If the government says there shouldn't be any property tax increases that eat up more of those dollars people are getting from this government's income tax cut — they're saying that shouldn't happen — then they're going to have to tell municipalities and school boards what they can do to recover from the cuts that have been made. Property taxes are happening in York region, where there's a 1.4% increase in taxes; in Sault Ste Marie, where there's a 3.75% increase in property taxes; in Scarborough, a 1.5% increase; Metropolitan Toronto, a 1.5% increase; Waterloo region, a 1.5% increase; and Kitchener-Waterloo county school board, Durham region, Metro Catholic board, Peel region, Sudbury, Sudbury separate board, all with tax increases.

The Premier says, "We're watching this very closely," as if he's somehow threatening that he's going to step in. Well, what are they going to do? Shut down the municipal services? Shut down the school boards? How did they think municipalities and school boards were going to cope with these kinds of cuts? They're coping the only way they can: with the new user fees this government encouraged them to introduce and with increased taxes, which they simply can't avoid. That is eating up the few dollars this government provided yesterday.

This budget does what every action of the Mike Harris Conservative government has done from the time it took office. It divides the people of this province into winners and losers. If you're well-to-do in this province today, there's no question that there's good news for you in this



budget, no question that you're a winner. The tax cut the big-income earners and families got yesterday was big enough that they could pay for their new user fees and could pay for the new health tax and could still be ahead.

That's the second example we use to just show what's happening: If you're a family that's earning \$150,000 in family income, that family gets \$4,300 in this first full year of a tax cut. Yes, they will still have to pay all those increased costs that the middle-income family is going to have to pay. They're going to have to pay the increased transit costs and the costs for garbage collection and they're going to have to pay the increased tuition for the student who's going to college or university. If they've got a youngster, they're going to have to pay increased child care costs because of the cuts to junior kindergarten. Those are all realities for that family earning \$150,000 too. And yes, they will also pay that Fair Share tax for health that the government introduced.

But at the end of the day, that family that makes \$150,000 isn't out of pocket by \$600 the way the middle-income family is. That family, the big-income family, has a net savings of about \$1,281. I suggest those are the real winners in Mike Harris's Ontario and the real people who benefit from the so-called good-news budget this government presented yesterday.

That's the reality. The reality is that in the next budget those big-income earners are going to be even bigger winners, because in the next budget, or maybe for the next two budgets as they phase in their tax cut, the big-income earners will still get their big tax cut but they won't be paying more in the health levy. They'll get their big tax cut and it will be free and clear. They will be big winners again, and that too is reality.

That's the reality when you deal with real dollars, real families that have to meet their new costs with the dollars they've got in their pockets. That's the reality when you don't talk about percentages, as the Minister of Finance keeps doing. A 30% cut for the big-income earner means a lot more dollars, real dollars, in the pocket than it does for the family at the middle-income levels or the low-income family.

1520

This budget is not good news for the bottom 40% of income earners who are going to have to split less than about 4% of the dollars in this tax cut and who still have to pay all the new user fees. Those people see no good news in this budget. The top 10% of income-earning families, who get the 50% of the benefit of this tax cut, think it's good news, no question about that. They're the real winners. But for the others who are really struggling to cope, there is no good news in yesterday's budget.

I have to tell you that we did think that this tax cut was the one promise that Mike Harris and the Conservatives would actually deliver on. It turned out when we actually saw the budget that we weren't quite right about that, because the tax cut actually turned out to be less for everyone than they said it was going to be; and the health care tax, that was supposed to claw back the benefits that they were giving to the well-to-do, was not as big a claw-back on the wealthy as we thought it was going to be.

You might remember that when they presented the Common Sense Revolution document they were going to get \$400 million back from higher-income earners

through the health tax clawback. In fact, they only took \$260 million back in that health tax. So the big-income earners ended up with an even bigger net gain yesterday than the Tories had promised in the first place.

I'll take you back to that family that earns \$150,000, and I'll tell you that they received yesterday \$335 more from the government than they would have had if the government had just kept the promise the way it was set out in the revolution. So the big-income earner was even better off yesterday than we had thought they would be.

I'll tell you also that I actually thought — and maybe this was sheer naïveté on my part, because I didn't find many people who thought it was likely to happen — the government might hear some of the critics, including their own Deputy Minister of Finance, who said: "Well, if you really want to get an economic benefit from this tax cut, you might want to rejig it so that the greater benefits go to the middle-income earner who really doesn't have enough money to go out and buy that new car or to buy a new house. You might want to give them a little bit more of a benefit, a bigger percentage so it means bigger dollars in their pocket and they can actually do something with it, and don't give quite so much to the bigger-income earner." I seem to recall the Deputy Minister of Finance saying, "Well, there's no question that you're going to have more of an economic stimulus if you give more money to the people who need it than to the people who don't need it."

I actually thought that's what we'd see yesterday in the budget, but clearly that wasn't where the Tory thinking was. The big-income earners actually ended up better off yesterday than we expected them to be.

I want to be absolutely fair, so I'll acknowledge that they did change the health care tax a little bit so that not quite as many middle-income families were hit with it as might have been hit with it otherwise. They did — so let me be again absolutely open in my acknowledgement of what you might find in the budget — make a slight gesture towards low-income families with something that's called "a change to the tax reduction rate." Now, that's a little bit hard to pull out of the budget, but I acknowledge that they did it.

What's even harder to pull out of that budget, though, is something else they did, because it seems as though this government didn't want to go too far in giving a break to that low-income family. Even though they reduced the tax reduction rate to give them a bit of a break, they decided to claw the break back, and they did that by reducing the deduction that is given for infirm or disabled dependants. I really do find that just one of those small, cruel details.

It probably doesn't mean a lot in terms of dollars. We haven't been able to do the analysis of that — we were still surprised to see it was even there — but it just seemed to me that it was so unnecessary to claw back the one small gesture you were making to low-income families, and it just seemed to me that this government seems to enjoy taking its most direct hits at the most vulnerable people in our society.

So who is going to find good news in this budget besides the big-income earners?

I suppose that you might think this is good news — and based on the reaction to the budget I think I'm



probably right in supposing this — but if you're in business and you somehow think that this tax cut is going to restore consumer confidence and it's going to lead to new spending and to new investment — although it's hard to imagine anybody who has \$662 less in their pockets investing in anything, let alone spending it on anything. It's hard for me to see where any of these tax cuts, except for the big-income earners, who could afford it anyway, are going to be large enough to actually encourage anybody to go out and buy a new car today who couldn't afford to buy a new car yesterday.

We look at what the tax cut means in terms of dollars per week on your paycheque, which is how they'll see it, and I think for a family making \$25,000 they're going to see about \$2.30 a week on their paycheque. I don't think that's going to help them buy anything very major. If you're in the \$60,000 income category as a family, you're going to get about \$8.50 a week. I don't think that's going to be a big stimulus to the spending economy, particularly not when it gets eaten up by all those new user fees and taxes.

It's important to deal with this expectation about the budget. I suppose you might think this budget could lead to some good news, if you're one of the half a million people unemployed in this province and you think that maybe if business improves one day you'll have a job. But I think we all know it's become a fact of the downsizing 1990s that businesses make bigger profits by hiring fewer people, not more. There would have to be a lot of new cars purchased to encourage auto manufacturers to create new jobs rather than downsize. There'd have to be a lot of new cars sold even to encourage a dealer to hire an extra staff person or two.

We know this tax cut is not going to mean new construction jobs in an economy where there are thousands of construction workers out of work, because the government is cutting back on those. We saw in yesterday's budget a \$1.3-billion reduction in the capital spending of government, and that translates directly into not having new construction jobs. This tax cut simply isn't large enough, even with the land transfer tax rebate, which we all agree is desirable — even with that, the tax cut is not large enough to help a young couple buy a new home, and that is particularly true if one or both of them are facing a layoff in the future.

Where are the jobs the government keeps promising going to come from? We all know the promise — we heard it during an election campaign; we've heard it on an almost weekly basis since then; we heard it again today — 725,000 jobs. Premier Harris said, "Our government will create 725,000 jobs in the first five years." It was very specific, it was very categorical and it was described as a key promise of the Common Sense Revolution. Where are we now in reaching the target of 725,000 jobs?

All kinds of words in the budget about jobs, all kinds of words about how the income tax cut is going to produce these new jobs that the government needs if it's going to hit its target and keep its basic commitment to the people of this province, but no numbers. If you wanted to find out how many jobs the government actually expects to create, you had to find some figures buried on page 39 of the budget background document.

You had to know about how many jobs had already been created, how many people were unemployed. You had to ask the Ministry of Finance if our understanding of the job numbers was right, and the Ministry of Finance representative said, "Yes, you're absolutely right." I give credit to my finance critic, who is going to be joining us, who did the work on these job numbers, because he said all along that the government could not hit its 725,000 target.

What does the budget tell us about their commitment to jobs? The budget shows us that in the first three years of this government it will create only 287,000 jobs. That is far short of the 145,000 jobs a year that would be needed to hit the target of 725,000. Members opposite shake their heads. Get past the words. If you want to be able to go out to your constituencies and say, "We can keep our promise on jobs. We know that jobs matter to you more than any other single issue" — and it does — "and we know that in every riding of this province jobs is the number one issue and that's why it's such a key commitment," you'd better know the reality of the numbers. Even today, when the Minister of Finance said, "We are creating 10,000 jobs a month," well, they've got to do a lot better than that if they're going to get to 725,000 jobs in five years.

1530

The reality is, using the government's own numbers as it presented them in the budget yesterday, there will be 6,000 more people out of work in year 3 of a Mike Harris government than there were when Mike Harris came into office, and that is, as our finance critic said today, inexplicable and indefensible. It is a key promise, and it's a key promise this government cannot deliver and will not deliver. He made that promise repeatedly; he made it categorically. This Premier keeps making it, and he is not delivering.

But what he is delivering — and on this there is no quarrel and no debate. This is not a numbers game. These are real people being delivered pink slips, job layoff notices because of this government and its cuts and its policies and its determination to bring in this irresponsible income tax cut. We know about job losses to thousands of people in the public sector, thousands of the government's own employees. We know about the 10,600 people the Chairman of Management Board announced were going to be laid off within the next two years alone. We also know that the Chairman of Management Board said, "Yes, there will be more layoffs in the public sector to come." They won't tell us how many more.

But if we look at the government's budget documents again, they like us to forget the cuts that were announced in November and the cuts that were announced in April, so they didn't make a big deal about those yesterday. They wanted it to be a good-news budget. You go back to those November and April statements and you see what the government is planning to do to people as it makes its cuts. We know they're looking at cutting the government administration by about a third. That's not 10,600 people. That's not even the 13,000 people they said they were going to reduce government by. That's more like 20,000 to 27,000 people. I think we have a lot of painful layoffs yet to go.



There was a very substantial sum of the money in this budget yesterday for severance pay. The minister tried to suggest that it was a readjustment fund for investment. It is severance pay for the thousands and thousands of people who are going to be laid off by this government.

Education, the broader public sector: Because of this government's cuts people are being laid off, people are going to be out of work. Earlier this month, we looked at just 14 of 130 boards of education in the province. They had already given layoff notices to some 2,700 people, and that's in just 14 boards.

If the Minister of Education takes the next step, if he does what he originally said he was going to do, if he does what he brags that he can do to save \$1.2 billion out of the education budget, then we will see thousands and thousands more teachers out of work and on the streets. What good do they do to classroom education and students if teachers are on the streets?

We all remember the thousands of pink slips that were being given out in March in anticipation that the Minister of Education was going to do what he said he would do. We saw 1,000 pink slips in Peel, 1,000 pink slips in Hamilton and 1,000 pink slips in Simcoe county.

**Mr Peter L. Preston (Brant-Haldimand):** They have all been rehired.

**Mrs McLeod:** The only reason any of those pink slips were withdrawn, I say to the member opposite, is because, thank God, the Minister of Education backed down from his bragging about cutting \$1.2 billion out of education. Because the government got nervous when it saw the sheer volume of layoffs in education that were going to come, it backed off and said, "We'll do it differently for now." The Minister of Education still brags he can get the \$1.2 billion out of education and damn the torpedoes, just like the headline said. It doesn't matter what it does to education.

Equally as important, it doesn't seem to matter what it does to people. It doesn't seem to matter that those are people out in communities, largely the buying generation, the people who take the money they have in their pockets when they have a job and they get a paycheque and go out and buy a new house and buy a new car. Those are the very people you want to have working in your communities, providing services in our classrooms or in our hospitals and contributing to the economy of their community, and they're the very people who are being laid off by this government's cutbacks and this government's policies.

Just look at health care, because we all remember health care, where that reassuring message was given that there wasn't going to be a penny cut. I think that people in the health care field, because of that, might actually have thought, "Well, that means if there's not going to be a penny cut from health care, then my job on the front line must be safe." Far from it. Six thousands layoffs are expected this year alone in the health care sector — 6,000 layoffs. The nurses were here last week, and this is Nurses Week, believe it or not. They told us that 5,000 nurses have lost their jobs in this province since 1993 and that 15,000 more could lose their jobs in the next three years, and yet this government tells us that their cutbacks don't affect health care and they tell us that their cuts won't hurt the economies of our communities.

The fact, the plain and simple fact, is that there has only been one real effect of the tax cut on our communities up till now, and that is something which the government itself, in the Common Sense Revolution, referred to as "economic drag." Economic drag is what happens when you put thousands of public sector workers out on the streets. It's what happens when thousands of construction workers face unemployment because the government has cut the capital budget by \$1.3 billion, because they've slashed the transportation budget. And make no mistake about it, the transportation capital budget is cut by another \$400 million this year, as it was cut \$400 million last year, and the operating budget of the Ministry of Transportation is cut by \$158 million. There is no arguing that, no matter how they try to spin it in the budget as being enhanced funding for road maintenance.

They have cut that budget, and they have frozen school construction and there are no construction jobs there either. They may lift the freeze on schools; let's hope they do. But they are going to spend \$222 million, not the \$576 million that was in last year's budget, for school capital construction. That's all part of economic drag.

It also has an effect on service. An economic drag is what happens when all of those people who face unemployment as a direct result of government cuts don't buy a new car. They can't think of buying a new house or they lose the mortgage on the one they have, which is happening to far too many young couples in this province today. People who have no job didn't get a tax cut yesterday. They are not spending their money. And all the people who fear they will lose their jobs tomorrow because they fear the cuts to come aren't spending either.

Job loss is what's happening now in our communities: job loss in Hamilton, where the job loss in the public sector is up to about 4,600 jobs; job loss in Toronto. The neighbourhoods committee in Toronto made a report to their council. This was before the November cuts. This was before the Black Thursday cuts of 10,600 civil servants last month. This is before any of that happened. The neighbourhoods committee in Toronto just looked at the fact that 27 social housing projects had been cancelled in Toronto, and they said that would mean 3,000 person-years of work in the construction trades and the building sector trades lost.

Interestingly, they looked at the welfare cuts and they said: "Just look at it in terms of impact on our economy. That's \$97 million out of the economy of Toronto." Don't you think that has an impact on the economy of a community? Do you really think you're just dealing with welfare abuse when you cut off the welfare payments of people who need that money to buy food and to pay for their housing? The neighbourhoods committee of Toronto said it had a very major impact.

In Sault Ste Marie, they've started a study to look at the impact of the cuts that are a direct result of this government's policies. They say that in 10 months of the Tory government they have lost 500 direct jobs, and that is because of \$31 million in spending cuts that have hit Sault Ste Marie.

Thunder Bay is my home community, and the economic development council there has done its assessment. They say that the public sector job cuts will mean a loss



of about 1,000 jobs in our community. That's direct job loss. It comes from the economic development corporation, very concerned about the impact of that job loss in our community. Then you take those 1,000 jobs and you multiply them by what economists say is a realistic spinoff factor. What happens to the retail industries and the other service industries? What happens to the home building industries when 1,000 people lose their jobs in a community? They say probably about three more jobs for every job that you've lost will be lost in the spinoff factor. So that means in my community about 4,000 jobs being lost.

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Those jobs are not being lost because the market for paper or softwood lumber is down. The jobs aren't being lost because SNC-Lavalin in our community lost a contract bid. Those kinds of things we can understand. That's sometimes a reality in the market and you know there are job losses because of that. But that's not why we're losing 4,000 jobs in Thunder Bay. It isn't the market that's going to cost us 4,000 jobs; it is our own government, unbelievably, a government that got elected on an irresponsible promise and is now going to make that irresponsible promise the only one it doesn't break. I don't think Thunder Bay or Sault Ste Marie or Hamilton or Toronto needed an artificial, government-induced job —

*Interjections.*

**The Deputy Speaker (Mr Bert Johnson):** I'd like to hear the Leader of the Opposition's comments. You're making it very difficult for me. I would like to ask you to let her proceed with the debate.

**Mrs McLeod:** It's quite clear that the members of the Conservative caucus don't like the truth about job layoffs because they know it's hitting their own communities. I'll find the examples from your ridings next week. I don't think that your community, any more than my community, needed an artificially induced drag on its economy, because things were tough enough for us, thank you very much.

Yet this government wanted us to believe the tax cut was somehow going to give people confidence despite the reality that people are facing today, despite the reality of job loss and economic insecurity, of parents who are facing the need, the inevitability, of supporting adult children who simply can't find work — we all hear that every day — the reality that this tax cut doesn't give people who couldn't afford to buy the new car or the new house enough money to buy anything at all, the reality that new user fees and increased user fees and increased taxes will eat up what the tax cut does give to lower- and middle-income people.

The government thinks none of these realities matter, because their economic theory says that a tax cut will lead to confidence and that will lead to new spending and investment and that will lead to job growth and that will be enough to overcome the economic drag on our economy that our own government has brought down on us. But it is all theory. It has not worked anywhere; it will not work here. There is no evidence that this tax cut will lead to jobs. There is no evidence that trickle-down economics will benefit anyone except those who get the

biggest tax break right off the bat. This government was told that over and over again.

Let me just refer to a couple of the expert witnesses who came to the finance committee to tell the government what the tax cut would do: Aron Gampel of the Bank of Nova Scotia, who said there's absolutely no guarantee that a \$100 tax break to individuals will translate into \$100 of spending into the economy; John McCallum, the chief economist of the Royal Bank, who expressed concern at the slow rate of deficit reduction and concern for the risk to the credit rating if the deficit investment targets couldn't be hit; Jayson Myers, an economist with the Canadian Manufacturers' Association, a group you would expect to be one of the winners in this, who said cutting personal income taxes won't do anything to stimulate job creation, that people will use any extra cash to pay down debts, not buy goods that will create jobs. Even the C.D. Howe Institute expressed dubiousness about the job creation potential of a tax cut.

The report of the finance committee itself, a committee dominated by members of the Tory caucus, expressed the concern of many expert witnesses that any stimulative effect of an income tax cut would be offset or even outweighed by the negative effects of expenditure cuts. That committee went on to say, and I'm quoting, "If the overall effect is negative, the government may see the same kind of revenue losses (through unemployment and lower consumption) it was seeing earlier in this decade, and ultimately, a deterioration in the deficit situation." That's from the finance committee; that's from the Conservative members of the government.

We know that the government — no, let me be more direct: the Premier of the province. I think he's the only one who has actually said this. I don't think the Minister of Finance has actually said this so I don't want to hang this on him, but the Premier has certainly said: "This tax cut won't cost us a cent. It's going to produce so much extra growth that it will pay for itself."

That isn't what the Bank of Montreal says. The Bank of Montreal said, just the day before the budget came out, "The revenue target could well be missed by \$2.7 billion in the year 2000-2001." They went to say that "revenues would have to grow at an average annual rate of 6.2% over the next five years to meet the revenue target, and that would be overly optimistic."

Michael McCracken from Informetrica was expressing his concern that if revenues don't grow, there could be more cuts, and he was concerned about more cuts. He said, "If in the next Ontario budget additional cuts are implemented, then the fiscal drag will further dampen economic activity in the province." He says, "It would seem to make more sense to proceed with some fiscal stimulus rather than further tightening the state of the Ontario economy."

The harder it has been to sell this tax cut as good news, the more extreme the Premier's rhetoric has been about the immeasurable benefits of a tax cut. In the background paper to their campaign document, they were much more modest. So let me quote from the Common Sense Revolution where they said, "We do not make any claims on how the Common Sense Revolution will affect growth other than by diminishing it in the short term because of deficit reduction-induced economic drag."



Now even the government itself has acknowledged that economic growth is going to be worse, and not better, because of the tax cut. Last November, they were predicting economic growth, a real increase in the GDP of 2.3%. That's without the impact of the tax cut. Yesterday they added in the impact of the tax cut, and now our economic growth is expected to be 1.9%; and that's what economic drag means in economic terms. That's the reality, both in the short term and the long term. The negative effect of the spending cuts will outweigh any potential stimulative effects of this tax cut, and the tax cut will not pay for itself.

Do you remember him saying "not one cent"? Well, it won't cost one cent; it will cost \$5 billion, and over the course of four years the cost to the taxpayers of their tax cut will be \$13 billion. We will have to borrow to pay that \$13 billion, and the debt of the province of Ontario will go up by \$22 billion, as a result of that, in five years.

Ironically, we found yesterday that the government itself seemed to have developed some doubts about whether or not the tax cut was such a good idea, because they thought, "Well, maybe" — at least this seems to be thinking — "it would have been better to have used the tax cut to reduce the deficit." That's certainly what the business people and the economists and the bond raters were telling them: "If you're going to make the spending cuts, don't take that money and give it in a tax cut. Put it against the deficit."

So the government seemed to have some second thoughts, and yesterday they decided to give people an option, so they created the Ontario opportunities fund. So if you're one of those people who think deficit reduction is more important than economic stimulation, you can check off a box on your income tax form and direct your tax cut to deficit reduction — that is, if you're one of the people who happen to have any of it left after paying user fees.

So now, Mr Speaker, I have to pose this problem to you perhaps, because if the big-income earners with the big tax break actually put all of their dollars into deficit reduction instead of spending it — I'm not sure they will. John Crispo might be a good example of somebody who thought deficit reduction was important, so he was given a chance to direct his income tax break to deficit reduction and he said, "Let the cabinet ministers go first." But if some of the big-income earners actually do decide to follow their belief and put their tax cut into deficit reduction, what happens to this government's one and only job creation program? It is gone, because you can't have it both ways. You can't use the tax cut to encourage people to spend and create jobs at the same time that you encourage them to use their tax cut to pay down the deficit.

Anyway, it doesn't matter. The member is right. It doesn't matter, because none of it would have worked anyway. None of it would have worked, and the only thing that we know for sure is that today, in our communities, the tax cut is indeed an economic drag.

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I couldn't help but notice that the Minister of Finance is expecting a lot from his tax cut still. They seem to want it to be the creator of the 725,000 jobs that they're

still looking for, so they want people to go out and spend it. They seem to think that they should be able to let some citizens direct their dollars towards the deficit reductions, since the deficit isn't going to be reduced very fast by the government. Then in the budget the minister also seemed to suggest that if people didn't like either of those two options, they could use their tax cuts to put them into new trust foundations — trust foundations for hospitals and libraries, the Ontario Cancer Treatment and Research Foundation, the Ontario Arts Council, the Royal Ontario Museum, the Art Gallery of Ontario, the Royal Botanical Gardens, and perhaps the National Ballet of Canada, the Canadian Opera Company, the Toronto Symphony Orchestra, the Shaw Festival and the Stratford Festival.

I think that is a good idea, to create foundations for these agencies, but I say to the members opposite that with the one exception of the cancer foundation, these are all agencies that have had their funding slashed by this government and that's why you're setting up a trust foundation for them — so that citizens can use their income tax cut, if they don't want to use it for the deficit or they don't want to go out and spend it for the economy, to try and sustain cultural organizations in their communities that this government is destroying.

If you don't like any of those options, you can contribute to a trust fund for student assistance while the government cuts back on student assistance even as it raises tuition fees.

I heard the Minister of Finance yesterday say citizens can spend their own money more efficiently than the government, and as a general statement that is probably true. But there are some things, I say in all seriousness to this minister, that no private citizen can do, that only the government can do, because the government is indeed the collective resource of the citizens. The community effort, the community volunteer work, the contributions to services, to arts organizations, to charities in our communities, are supposed to be complementary to the government. They're not supposed to be in place of the government, and yet that's what you're making them.

Surely, Minister, if government is not efficient you can make government more efficient and more effective doing what government can do. Surely you don't just dismantle the government and abandon any responsibility that a government has for its citizens, and yet that is exactly what this government is doing.

It's perhaps no wonder that the government was having trouble convincing people that the tax cut was a good idea, because it's apparent that the government had a lot of trouble convincing itself, which is why it has provided so many options for us to use our tax dollars with.

I remember that over the past months when the government has had trouble convincing people that tax cuts make sense, it has pointed to other jurisdictions that have followed similar plans. In Michigan, for example; Michigan, where they have cut taxes but where they have also cut public sector programs, where they have chopped health care to pay for tax cuts, where single people deemed employable are denied welfare even if there are no jobs and where, incidentally, sales taxes and other consumption taxes have jumped dramatically.



They refer to New Jersey, where they did bring in a 30% cut in income tax and where health and social service programs have been cut, nursing programs have been privatized, drug benefits for seniors and the disabled have been cut — does that sound familiar? New Jersey, where welfare recipients are kicked off social assistance after five years, and where new user fees are growing by leaps and bounds.

What is happening in the United States of America, which the government uses as its wonderful examples?

I realize, in spite of the sheer length that is given to me in responding to this budget, that I'm going to run out of time, but let me take a minute to read some excerpts from a speech that was recently given by Senator Edward Kennedy, because I think it reflects on the American experience, which I'm all too afraid Ontario is following. Senator Kennedy says, "A rising tide lifts all boats...but today's rising tide is lifting only some of the boats — primarily the yachts.

"The vast majority of economic gains are being channelled to the wealthy few, while the working men and women who are the strength and soul of this country and its economy are being shortchanged....

"As we approach the 21st century, we confront an economically unjustified, socially dangerous, historically unprecedented and morally unacceptable income gap between the wealthy and the rest of our people....

"Every loss of health insurance, every cut in support for child care, schools, colleges and job training makes it harder for families to earn a better future. We cannot solve great social problems by instructing people to be good while their financial situation is going from bad to worse....

"We can only lay off so many workers, cut wages and benefits by so much, and tear down government support programs for so long, before we downsize the consumer sector as well. In a winner-take-all economy, eventually there will be fewer buyers, and fewer winners, and ultimately even many corporate losers...."

Finally, and I'm just excerpting, he suggests that the era of big government may be over but that a return to the era of no government is no answer, and to that, in Ontario, I say amen.

Some would turn to Canada and say, "What's the closest example in Canada that we can find of what's happening here in the province of Ontario?" And they would of course suggest Alberta. You're right: Alberta. Well, let me just once and for all make it clear that there is absolutely no way that Ralph Klein could ever catch up to Mike Harris when it comes to spending cuts. The government may want to take pride in that. I wouldn't. This government may want to. But just for the record, let me point out that in 1993, Alberta was the first of all the provinces in spending per capita. Incidentally, Ontario was ninth. After three years of cuts, Alberta is spending still more than Ontario was spending before the Harris spending cuts even began, before we start to see the impact of the \$8.8 billion in cuts. I think Mike Harris is going to make Alberta look like a very big spender.

Mr Klein has suggested that he believes Mr Harris is going to "have great difficulty." "Here, we never even contemplated a tax cut. Our focus was on eliminating the deficit." He says, "It's going to be very difficult for

Ontario to deal with the deficit by cutting expenditures and at the same time deal with the dramatic decrease in government revenues that will be caused by a tax cut." He says further, "To do that, one has to be more than just a politician, one has to be a magician."

The budget isn't good news and it certainly isn't magic. This is what the Conservative government budget is really all about, it's all it offers: a tax cut that benefits mostly the well-to-do; no assurance of new jobs — in fact, a recognition that we are going to have slower economic growth and higher unemployment; \$22 billion more in debt; and a guarantee of a host of new user fees.

I ask you, where's the good news in all of this? Where's the hope in it? Where's the hope in it for anyone who desperately needs to feel a sense of hope? Where's the hope for anyone who finds the present insecure, insecure in a way that people in this province have never felt before, who feel that the future is uncertain to a degree never felt before? Where's the hope for those who have struggled to make a future that is better than the present and who now don't think there is a chance of fulfilling that dream?

There is no real good news in this budget, not for those who most needed good news. The price that we have paid because this government made an irresponsible promise in an election campaign is beyond measure. Not many reasons for hope in this budget, not unless people follow the Mike Harris/Mark Mullins economic theories as blindly as the members of the Conservative caucus used to. But without any question at all, hope has been destroyed for thousands and thousands of Ontarians who just happen to be in the way of the Tory juggernaut. I want to just note them, sort of like markers tracing a path of destruction, because even in this length of speech I can't deal with them all.

You'll remember when it started last July with cuts to social assistance, cuts of some 23% to social assistance. Then there were the sudden shocks of the fall. The one I remember most is the day — and it was literally a day, overnight — when 25 halfway houses in the province were suddenly shut down and all those years of work in communities to put those houses in place lost.

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I remember that promise about health care spending and no new user fees for health care, in November, when the \$1.3 billion was taken away from our hospitals and the user fee for drugs for seniors and the disabled was introduced.

I remember the promise about classroom funding for education, and then we saw education funding cut by \$400 million in elementary and secondary schools and \$400 million in colleges and universities.

I remember the commitment to municipalities, to ensure that any actions this government took would not result in increases to local property taxes. That was before they cut the municipal budgets by 42% over two years.

The promise that law enforcement and justice would be guaranteed: That was before they cut \$139 million from the policing and justice system.

The commitment that there would be no cuts to agricultural programs in our policy plan: Then they cut \$82 million from support for farmers.



The transportation commitment: "One of the things we must do is put money back in the infrastructure; we recognize the importance." That was as recent as March 27, from the Minister of Transportation, and that was before they cut \$70 million from road repair and maintenance and took \$20 million out of GO Transit.

The other cuts we keep hearing about day by day — 25% to 30% cuts to special services at home program for the disabled; the 5% cut to community mental health programs; the withdrawal of all the funding for family counselling programs in our communities; the elimination of funding to provide counselling support to battered women in second-stage housing; the \$180-million cut to non-profit housing — those are just markers on the path of destruction, and there are more cuts to come.

I wish it weren't so, but we are just beginning to feel the pain of the cuts that provided the background to yesterday's budget. We know that of the cuts the government has already targeted, we still have \$1.4 billion. We've seen announced \$1.6 billion of the cuts to government services directly; we have \$1.4 billion that are still going to be announced. We have \$600 million more in capital cuts that have yet to be announced.

Beyond all of that, we have the Bank of Montreal saying that this government could be \$2.7 billion off its targets in the year 2000-01, and that means either scaling back the tax cut or making deeper spending cuts. We have John McCallum of the Royal Bank saying that he thinks they will have to make additional cuts of \$1.7 billion to implement the full tax cut.

I wonder where this government will go for those cuts. What more can they strip away from our communities? How much more pain can people in our society bear in economic terms, in social terms and, most of all, in human terms?

I look at some of the cuts and I realize that the cuts make absolutely no sense. They make absolutely no sense even from the perspective of the government's financial bottom line. Let me take a couple of examples.

Cutting the Ontario film investment program: That's a program that recently had an audited accounting done. It's a program where the government got back \$3 for every \$1 it invested. It made sense. It helped with deficit reduction. On top of that, it's a program that encouraged an industry which was the sole net producer of new jobs in the province during the recession. Why would you want to kill the film investment program? It brings in money, it creates jobs, it does all the things the government says it wants to do, and they cut it.

They put something in the budget that's basically a tax credit. If you can go to the bank, if you can persuade the bank that this creative new idea can work and you can get the money — and there aren't many film producers starting out who can get moneys from the bank for their productions, but if you can, and if it's successful, then you'll get a tax credit back.

**Mrs Elinor Caplan (Oriole):** It's going to kill a whole industry.

**Mrs McLeod:** It will kill the industry. The film investment program was working — it was working for government, it was working for the industry, it was working for jobs, it was working for this province. It will

be killed and those jobs will go to BC or Quebec if they don't go back to California, and that is a great loss.

I quoted earlier the Toronto Neighbourhoods Committee and their concern, way back before the November cuts and the April cuts, about the loss of social housing and what effect that would have on construction jobs, and the effect of the welfare cuts. They also talked then about the concern that there would be a reduction in revenues to Toronto arts and cultural organizations. They had no idea that the hit to Toronto's cultural organizations would be as huge as it has been. But they said a reduction of even \$15.9 million would produce a \$140-million contraction in economic activity. They go on to say, "As a result, Toronto's newly won reputation as an international cultural centre will be put at risk. The ramifications on the \$1 billion a year in economic activity currently generated by cultural tourism and Toronto's ability to attract a skilled labour force and business are potentially significant." Why would any government give that up and give up the revenue dollars it was getting at the same time? It truly does not make sense.

Another example of something that doesn't make sense: You may remember that when the government brought in what I call the Black Thursday cuts, when they announced the downsizing of the public sector and the laying off of 6,000 people as they get 10,600 fewer jobs in the public sector, they took out an ad to tell how wonderful this move was, and you'll remember there was a little error in the ad, because the only example they could find of how terrific this was going to be for taxpayers was to say they would no longer be doing maintenance work on OPP cars in Thunder Bay. There was a bit of a problem there because they were never doing maintenance work for OPP cars across the province in Thunder Bay. They were doing the work on OPP cars for Thunder Bay in northwestern Ontario. It makes a certain amount of sense.

So what are they doing now as a result of the cuts? They're going to outfit the cars for the OPP who work in northwestern Ontario in Orillia, and then they're going to put those cars on a flatbed truck, I guess, and they're going to truck them up across the North Shore to Thunder Bay and on to Kenora. At a minimum, that is going to cost at least \$20,000 more a year, and this is the sense of the program the government spent hundreds of thousands of dollars advertising as its kind of good-news cut.

Just along the way, by the way, there is the little matter of servicing the OPP on northern reserves, and I don't think the people in Orillia have any idea of how they're going to get people or cars up there.

There are some cuts that take away essential services, and I don't think this government has any idea who's going to provide the service once they've cut it. The regional labs of the Ministry of Environment — last week the notices went out that all the regional labs of the Ministry of Environment are going to be shut down. These are the labs that do the high-volume weekly water testing for municipalities, and you will remember the Collingwood situation where there was considerable concern about the safety of the water and that some 40 other communities in Ontario have reason to be concerned and to want their water checked on a weekly



basis. The Ministry of Environment regional labs are being shut down, and the Toronto lab does not do and will not do that high-volume testing. The municipalities paid a fee for service to have their water tested on a weekly basis, so this wasn't a cost to government.

In my community, where one of those regional labs is going to be shut down, there is no private sector company that can step in and do the high-volume weekly water testing for the municipality, and even in communities where perhaps there is a private sector lab that can come in and do the work, nobody knows how much it's going to cost, and the municipalities have no idea whether this is one more offload.

I won't even get into the fact that the regional lab in northwestern Ontario also did all the testing of safe eating fish and the fact that that testing isn't going to be done now. They're no longer going to produce the guide that tells our tourists what the safe eating fish are. I won't go back and remember a situation in Wabigoon River some many years ago where there was a very big concern about unsafe eating fish, and I won't get into any details about how concerned tourist outfitters are in our part of the woods when they find out there's not going to be anybody to do that kind of testing.

It's just one of the little details that happens when you've got a government that is in such a hurry to make cuts in time for its budget that it can't take time to look at what it's doing. They needed the cuts fast to pay for the initial instalment of the tax cut, so they had no time to plan. They talk a lot about restructuring, but they had no time to do any real restructuring. All they had time to do was to cut.

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There is no capacity left any longer, because of the way they've started, to do any real restructuring, any creative planning that actually brings about the government's goal of doing more for less. I can tell you that those who have survived this government's hacking, those who have survived the purging of the ministries, are demoralized and discouraged. They don't even know whether they're going to be around when the changes that are being implemented come into being, and I'll tell you, that does not make for more productivity in the ministries of the government.

Exactly the same thing, I suggest to you, is happening in health care, where planning was going on at a local level to streamline our hospital service. It was slow, it was difficult, as former ministers of health, one of whom is sitting beside me, know only too well. But it was happening. It was happening at a community level, and then along come Jim Wilson and Ernie Eves, and what do they do? They take \$1.3 billion away from our hospitals, away from the front lines of our hospitals, and now there is no longer a climate for working together for long-term, effective, creative change.

People are desperate about their own futures. They're desperate to provide the services that are needed and they are competing for the resources that are left, a competition between institutions, a competition between communities. Our capacity for planning to deliver the most effective health care in our region and our community is almost shattered.

Now the government is going to say: "Look, we kept our promise not to cut health care. Look, the \$17.4 billion is back, in fact it's \$17.7 billion." I don't know exactly what they're doing with the \$17.7 billion. I know they're doing addiction counselling in the Ministry of Health now, not in the Ministry of Community and Social Services. That's a \$35-million shift. I don't know how much of a shell game is being played here and how many services are being moved in.

I don't know, when they talk about having a nutrition program for expectant mothers — which I think is a good idea; in fact I proposed it — whether or not that fits with the cuts that were announced last month to the public health units that are doing those nutritional visits. I don't know how that all fits together. I don't know whether or not the \$17.7 billion is now being spent or if it's kind of there for the minister to make good announcements with for the next year. All I know for sure is, whatever games the government is playing with the numbers, it cut \$1.3 billion from our hospitals, it cut \$1.3 billion from the front lines of health care, nurses are being laid off, as many as 15,000 in the next three years alone, the waiting lines for surgery are longer, people are being discharged from hospital earlier, care is deteriorating and everyone in this province except the Minister of Health understands that.

You may well be able to save dollars by streamlining hospital services, and that's why people at a community level were working so hard to do that. But you've got to find the savings before you make the cuts and that's a basic reality this government has just never understood. The government cut health care first and the service is steadily getting worse as a result. We are not getting more for less, we are just getting less.

Everywhere I go — and I know this is true for my colleagues; somehow I think it has to be true for the members of the Conservative caucus — I find that people are getting more and more frustrated, I find that people are getting more and more angry, and I share their frustration. I get frustrated when the Minister of Health tries to say they have protected health care when he has slashed front-line budgets, when he is charging user fees for prescription drugs for seniors and the disabled, when his policies are driving doctors out of this province in record numbers and creating shortages that are at a crisis point in communities that have never experienced shortages before.

For the first time ever, we have an underserved area declaration by the ministry for family practice in Sudbury. Never before have we had a shortage in a community the size of Sudbury. It may not seem like a large urban community to some members opposite, but in northern Ontario it's an urban community. It always had trouble with specialists; it never had trouble with family doctors. In Windsor, in Alliston, the Minister of Health's own home community, we're reaching crisis proportions in doctor shortages. This minister's policies drive doctors out of this province and he says he's protecting health care.

I get frustrated when the Minister of Health is so determined to get the cheapest service — I say again the cheapest service — that he is willing to jeopardize the



health of patients in this province by bringing in cut-rate, for-profit, American kidney dialysis companies.

I get frustrated when the Minister of Education can't understand that he is cutting junior kindergarten when he cuts the funding for it. How many times will he stand up and say he's not responsible for cutting junior kindergarten any more than the Minister of Finance is responsible for municipal taxes going up just because they've cut the funding? When you cut the funding for junior kindergarten, you are responsible for cutting junior kindergarten.

I get frustrated when the Minister of Education simply washes his hands of any responsibility for the impact of the cuts he's making. I get frustrated when he so clearly wants to do his part of the budget slashing they had to do to bring in yesterday's tax cut that this minister can't bother to understand or doesn't even seem to care very much about what's happening to education.

I get frustrated when the Minister of Education makes back-room deals to deliver his part of the budget cuts, like the deal he made with the Haliburton board after some conversations, presumably, with the Minister of Natural Resources; it is even more frustrating when the Minister of Education gets caught and has to create absolute chaos in educational grants in order to cover up his own backside.

I get just as frustrated when the Minister of Education uses ministerial blackmail to force boards to sign deals with him, like the deal that was made with the Metropolitan Toronto School Board to give him some \$65 million to help pay for the Minister of Finance's tax cut. The Minister of Education of course reneged on his part of the deal, so the deal becomes null and void, but the Minister of Education didn't even have —

**Hon Ernie L. Eves (Deputy Premier, Minister of Finance and Government House Leader):** Mr Speaker, on a point of order: I'm sorry to interrupt the leader of the official opposition, but is "blackmail" a parliamentary term?

**The Deputy Speaker:** I would ask the Leader of the Opposition maybe to rephrase that.

**Mrs McLeod:** Mr Speaker, I would be happy to have you rephrase it to any word which seems to be appropriate in its replacement. I will just move on with the speech.

My real frustration with the Minister of Education was that through all this he didn't even have the courage —

**Hon Mr Eves:** Mr Speaker, on a point of order: I don't understand. Is the leader of the official opposition withdrawing the comment "blackmail" or not? I understood her to ask you to withdraw it, but is she withdrawing it or not? Yes or no?

**Mrs McLeod:** Mr Speaker, you asked me to replace it. I'd be happy to replace it with any appropriate word. In the absence of a recommendation, I will withdraw the word. I want to move on with the speech, because my frustration with the Minister of Education, as I said, is that he didn't even have the courage to acknowledge that the deal existed.

I get most frustrated when the demand that was made on the Minister of Education by the Minister of Finance — a willing accomplice, because this is the same Minister of Education who brags that he can find \$1.2 billion, not just \$400 million in education cuts — when

that demand for more cuts leads to the loss of special education support that many students need if they're going to learn, when so-called reforms to secondary school education that they're looking at so that the minister can make the other half of his deal in cutting education mean taking away the choice of a classroom education, when that's going to mean letting students get a credit for a summer job that has no relevant training in it and when that means dead-ending those students in unskilled jobs.

I get frustrated when funding of homes for the aged is cut by about one third. In my home community that means one in three homes for the aged is likely going to close. You should know that my community now has 400 people on the waiting list. I don't know where they're going to go if one of our homes for the aged is closed.

I get frustrated. I'll just change the focus of the thoughts. There are just so many things that are frustrating people in this province that I want to reflect on a few of them.

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Another thing that frustrates me is to see our parks in this province being shut down, because our province then becomes the only one that is actually going backwards in resource protection. It seems to me that even if we do have a government that could care less about things like ecological balance or global warming, it might at least be concerned about tourism dollars and sustainable forestry. If the only thing they understand is an economic bottom line, let them at least look at the value of natural resources from an economic bottom line.

I get frustrated when the roads in Ontario are so bad that no tourist is going to venture back into this province, and certainly not into northern Ontario, even if the dollar is low enough to invite them in in the first place.

I get frustrated, even beyond that, when the funding for the major tourist attractions in our communities is cut to the point where they're no longer attractions. But I guess I won't need to be frustrated with that much longer, because that won't be the government's responsibility much longer. They're just going to privatize them all.

Like so many people I talk to, I get angry when I remember that all of this is to pay for a tax cut that benefits mostly the well-to-do. Don't try to tell me that this is a good-news budget.

More than frustration, more than anger, what I feel is a real concern for the future of this province, because we haven't felt the full effect of the cuts yet; there are more to come. The Minister of Municipal Affairs told us in Thunder Bay, told the municipalities, to get ready for there to be no support at all; the cuts have barely begun. The Minister of Education says he can save another half a billion dollars at least. Our communities simply cannot manage any more loss of service. We are already reeling from what we've been hit with.

I'm truly concerned that with just 10 months of a new government we are already losing, at a distressing pace, our capacity to be a caring society. I saw nothing in yesterday's budget, I see no place on this government's agenda, for such things as compassion. I don't see extra resources or support for the most vulnerable. I don't see any patience at all with an assurance of equal opportunity.



I am concerned for our children. I am concerned about the price that an entire generation will pay for this government's budget and its tax cut. I can tell you, I get angry when this government says this is all for the future of our children. Fully 40% of the people who are suffering because of those welfare cuts back last July are children. What chance are they going to have? What is going to happen to the most vulnerable of our children as mental health services and special education supports are cut back? What's going to become of children at risk when our children's aid societies can't even respond to abuse because the cuts don't give them a chance to even deal with their legal mandate?

I'm concerned about the 33% increase in evictions in Toronto this year and the fact that in that 33% increase in evictions there is a 53% increase in mother-led families that have had to turn to hostels for shelter. I was concerned when I heard the director of the Toronto mission tell us yesterday that 90% of the people who come in the doors of the Toronto mission are women and children and that 80% of them have suffered physical or sexual abuse. I wonder what their future is with this government.

I am concerned when desperate parents turn to children's aid societies for help because their children are hungry. In the last six months, the number of children taken into the care of the children's aid society in Metro Toronto alone has gone up by 100. If you want to know whether that concerns me, I'll tell you it does. If you want to ask me whether I think that has some bearing on the future of children in this province, I'll tell you that I think it does.

**Mr Garry J. Guzzo (Ottawa-Rideau):** Positive or negative, Lyn? Positive or negative?

**Mrs McLeod:** I can't believe that the member opposite asks whether that is a positive or a negative effect.

In all honesty, in all conscience, you can't look clearly at what you have done for the last 10 months to families and children and try to tell me that this is a good-news budget. You can't tell me this is about our children's future.

I'm concerned, truly concerned that this government's answer to any problem is to let the private sector step in. If the quality of public education is suffering, the members opposite don't need to care. They don't need to be as concerned as I might be, because they can say, "Those who can afford to pay can pay for something better." That's no problem for this government.

"If the cuts to hospitals jeopardize our health care, let's see what we can get cheap from the United States of America. We might even let people pay for their own health care if the waiting list for their local doctor gets a little too long."

This government has already opened the door to two-tiered health care and to two-tiered education, and that door inevitably is going to get wider and wider, but unfortunately you're only going to be able to get through the door if you're rich enough. Only the well-to-do are going to be able to afford the best in health care and education in the province of Ontario.

Just as in the United States, that same concern Senator Edward Kennedy was expressing is going to be all too real for the people of Ontario, because the gap between

the haves and the have-nots is going to get greater and greater even when it comes to those most basic values of our access to health care and to education.

I can't accept the fact that that is where our province is heading and I can't help but tell you how much it concerns me, because I believe that in the end all of us — every single one of us, even the most well-to-do, even the ones who actually are winners with the tax cut yesterday, the few who are going to have more dollars in their pockets — all of us are going to pay a price for living in a meaner society because of what this government has done to pave the ground for the tax cut it brought in yesterday.

We're going to pay a price that cannot be estimated in anybody's budget. You won't find a page or a number anywhere in the budget that is going to give you an estimate of what price we will pay because we have failed to develop the potential of the people who make up this province. We will have wasted the most valuable resource of all. I wonder whether this is really the kind of Ontario any of us wants to live in. I wonder whether anyone really wanted a few dollars back in their pockets as badly as all that.

I think people will soon forget that they are seeing a few dollars more on their paycheque at the end of the week. They will soon see the full effect of the price they have to pay for this government to deliver that tax break. I know and I regret that we will all keep paying the price in countless ways further into the future than I can see. Don't try to tell me this is a good-news budget.

With that, I move that the motion moved by the Minister of Finance on May 7 "that this House approves in general the budgetary policy of the government" be amended by deleting the words following the words "that this House" and adding thereto the following:

"Recognizing that the budgetary policy put forward by the Minister of Finance comprises little more than a shell game, in which all but the wealthiest Ontarians will see their tax cut eaten up by new user fees and local taxes; and

"That while the Conservative government is giving taxpayers a 15% tax cut, it is taking the tax cut away from the lower- and middle-income earners piece by piece in new and higher user fees, higher tuition fees and licence fees; and

"That according to the government's own figures, the unemployment rate will actually increase over the next two years; and

"That despite the Conservatives' claim that the tax cut will create 725,000 jobs, the budget predicts that there will be 6,000 more people unemployed in 1998 than the day the Conservative government took office; and

"That the massive cuts to government services, including education, justice, health and transportation, required to pay for this tax cut are unacceptable and will transform Ontario into a province of winners and losers;

"Therefore this House has lost confidence in this government."

**The Deputy Speaker:** Mrs McLeod has moved that the motion moved by the Minister of Finance on May 7 "that this House approves in general the budgetary policy of the government" be amended by deleting the words



following the words "that this House" and adding thereto the following:

"Recognizing that the budgetary policy put forth by the Minister of Finance comprises little more than a shell game, in which all but the wealthiest Ontarians will see their tax cut eaten up by new user fees and local taxes; and

"That while the Conservative government is giving taxpayers a 15% tax cut, it is taking the tax cut away from the lower- and middle-income earners piece by piece in new and higher user fees, higher tuition fees and licence fees; and

"That according to the government's own figures, the unemployment rate will actually increase over the next two years; and

"That despite the Conservatives' claim that the tax cut will create 725,000 jobs, the budget predicts that there will be 6,000 more people unemployed in 1998 than the day the Conservative government took office; and

"That the massive cuts to government services, including education, justice, health and transportation, required to pay for the tax cut are unacceptable and will transform Ontario into a province of winners and losers;

"Therefore this House has lost confidence in this government."

Further debate?

**Mr Floyd Laughren (Nickel Belt):** Mr Speaker, I move adjournment of the debate.

**The Deputy Speaker:** Is it the pleasure of the House that the motion carry? Carried.

**Hon Chris Hodgson (Minister of Natural Resources, Northern Development and Mines):** Mr Speaker, I move adjournment of the House.

**The Deputy Speaker:** Is it the wish of the House that the motion carry? Carried.

This House stands adjourned until 10 am tomorrow.

*The House adjourned at 1633.*

**LEGISLATIVE ASSEMBLY OF ONTARIO**  
**ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO**

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Speaker / Président: Hon / L'hon Allan K. McLean  
Clerk / Greffier: Claude L. DesRosiers  
Senior Clerk Assistant and Clerk of Journals / Greffier adjoint principal et Greffier des journaux: Alex D. McFedries  
Clerk Assistant and Clerk of Committees / Greffière adjointe et Greffière des comités: Deborah Deller

| Constituency<br>Circonscription | Member/Party<br>Député(e) / Parti  | Constituency<br>Circonscription                    | Member/Party<br>Député(e) / Parti  |
|---------------------------------|--|--|--|
| Algoma                          | Wildman, Bud (ND) Interim leader of the New Democratic Party / Chef par intérim du Nouveau Parti démocratique  | Hamilton West / -Ouest                             | Ross, Lillian (PC)   |
| Algoma-Manitoulin               | Brown, Michael A. (L)  | Hastings-Peterborough                              | Danford, Harry (PC)  |
| Beaches-Woodbine                | Lankin, Frances (ND)   | High Park-Swansea                                  | Shea, Derwyn (PC)  |
| Brampton North / -Nord          | Spina, Joseph (PC)   | Huron  | Johns, Helen (PC)  |
| Brampton South / -Sud           | Clement, Tony (PC)   | Kenora   | Miclash, Frank (L)   |
| Brant-Haldimand                 | Preston, Peter L. (PC)   | Kingston and The Islands /<br>Kingston et Les Îles | Gerretsen, John (L)  |
| Brantford                       | Johnson, Ron (PC)  | Kitchener  | Wettlaufer, Wayne (PC)   |
| Bruce                           | Fisher, Barb (PC)  | Kitchener-Wilmot                                   | Leadston, Gary L. (PC)   |
| Burlington South / -Sud         | <b>Jackson, Hon / L'hon Cameron</b> (PC) Minister without Portfolio (Workers' Compensation Board) / ministre sans portefeuille, ministre responsable de la Commission des accidents du travail | Lake Nipigon / Lac-Nipigon                         | Pouliot, Gilles (ND)   |
| Cambridge                       | Martiniuk, Gerry (PC)  | Lambton  | Beaubien, Marcel (PC)  |
| Carleton                        | <b>Sterling, Hon / L'hon Norman W.</b> (PC) Minister of Consumer and Commercial Relations / ministre de la Consommation et du Commerce   | Lanark-Renfrew                                     | Jordan, Leo (PC)   |
| Carleton East / -Est            | Morin, Gilles E. (L)   | Lawrence   | Cordiano, Joseph (L)   |
| Chatham-Kent                    | Carroll, Jack (PC)   | Leeds-Grenville                                    | <b>Runciman, Hon / L'hon Robert W.</b> (PC) Solicitor General and Minister of Correctional Services / solliciteur général et ministre des Services correctionnels  |
| Cochrane North / -Nord          | Wood, Len (ND)   | Lincoln  | Sheehan, Frank (PC)  |
| Cochrane South / -Sud           | Bisson, Gilles (ND)  | London Centre / -Centre                            | Boyd, Marion (ND)  |
| Comwall                         | Cleary, John C. (L)  | London North / -Nord                               | <b>Cunningham, Hon / L'hon Dianne</b> (PC) Minister of Intergovernmental Affairs, minister responsible for women's issues / ministre des Affaires intergouvernementales, ministre déléguée à la Condition féminine |
| Don Mills                       | <b>Johnson, Hon / L'hon David</b> (PC) Chair of the Management Board of Cabinet / président du Conseil de gestion  | London South / -Sud                                | Wood, Bob (PC)   |
| Dovercourt                      | Silipo, Tony (ND)  | Markham  | <b>Tsubouchi, Hon / L'hon David H.</b> (PC) Minister of Community and Social Services / ministre des Services sociaux et communautaires  |
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| Durham Centre / -Centre         | Flaherty, Jim (PC)   | Mississauga North / -Nord                          | <b>Snobelen, Hon / L'hon John</b> (PC) Minister of Education and Training / ministère de l'Éducation et de la Formation  |
| Durham East / -Est              | O'Toole, John R. (PC)  | Mississauga South / -Sud                           | Marland, Margaret (PC)   |
| Durham West / -Ouest            | Ecker, Janet (PC)  | Mississauga West / -Ouest                          | Sampson, Rob (PC)  |
| Durham-York                     | Munro, Julia (PC)  | Muskoka-Georgian Bay /<br>Muskoka-Baie-Georgienne  | Grimmett, Bill (PC)  |
| Eglinton                        | <b>Saunderson, Hon / L'hon William</b> (PC) Minister of Economic Development, Trade and Tourism / ministre du Développement économique, du Commerce et du Tourisme                             | Nepean   | Baird, John R. (PC)  |
| Elgin                           | North, Peter (Ind)   | Niagara Falls                                      | Maves, Bart (PC)   |
| Essex-Kent                      | Hoy, Pat (L)   | Niagara South / -Sud                               | Hudak, Tim (PC)  |
| Essex South / -Sud              | Crozier, Bruce (L)   | Nickel Belt  | Laughren, Floyd (ND)   |
| Etobicoke-Humber                | Ford, Douglas B. (PC)  | Nipissing  | <b>Harris, Hon / L'hon Michael D.</b> (PC) Premier and President of the Executive Council / premier ministre et président du Conseil exécutif  |
| Etobicoke-Lakeshore             | Kells, Morley (PC)   | Norfolk  | Barrett, Toby (PC)   |
| Etobicoke-Rexdale               | Hastings, John (PC)  | Northumberland                                     | Galt, Doug (PC)  |
| Etobicoke West / -Ouest         | Stockwell, Chris (PC)  | Oakville South / -Sud                              | Carr, Gary (PC)  |
| Fort William                    | McLeod, Lyn (L) Leader of the Opposition / chef de l'opposition  | Oakwood  | Colle, Mike (L)  |
| Fort York                       | Marchese, Rosario (ND)   | Oriole   | Caplan, Elinor (L)   |
| Frontenac-Addington             | Vankoughnet, Bill (PC)   | Oshawa   | Ouellette, Jerry J. (PC)   |
| Grey-Owen Sound                 | Murdoch, Bill (PC)   | Ottawa Centre / -Centre                            | Patten, Richard (L)  |
| Guelph                          | <b>Elliott, Hon / L'hon Brenda</b> (PC) Minister of Environment and Energy / ministre de l'Environnement et de l'Énergie   | Ottawa East / -Est                                 | Grandmaître, Bernard (L)   |
| Halton Centre / -Centre         | Young, Terence H. (PC)   | Ottawa-Rideau                                      | Guzzo, Gary J. (PC)  |
| Halton North / -Nord            | Chudleigh, Ted (PC)  | Ottawa South / -Sud                                | McGuinty, Dalton (L)   |
| Hamilton Centre / -Centre       | Christopherson, David (ND)   | Ottawa West / -Ouest                               | Chiarelli, Robert (L)  |
| Hamilton East / -Est            | Agostino, Dominic (L)  | Oxford   | Hardeman, Ernie (PC)   |
| Hamilton Mountain               | Pettit, Trevor (PC)  | Parkdale   | Ruprecht, Tony (L)   |



| Constituency<br>Circonscription  | Member/Party<br>Député(e) / Parti  | Constituency<br>Circonscription | Member/Party<br>Député(e) / Parti  |
|--|--|---------------------------------|--|
| Parry Sound  | <b>Eves, Hon / L'hon Ernie L.</b> (PC) Deputy Premier, Minister of Finance, government House leader / vice-premier ministre, ministre des Finances, leader parlementaire du gouvernement   | Scarborough North / -Nord       | Curling, Alvin (L)   |
| Perth  | Johnson, Bert (PC)   | Scarborough West / -Ouest       | Brown, Jim (PC)  |
| Peterborough   | Stewart, R. Gary (PC)  | Simcoe Centre / -Centre         | Tascona, Joseph N. (PC)  |
| Port Arthur  | Gravelle, Michael (L)  | Simcoe East / -Est              | <b>McLean, Hon / L'hon Allan K.</b> (PC) Speaker / Président   |
| Prescott and Russell /<br>Prescott et Russell                                      | Lalonde, Jean-Marc (L)   | Simcoe West / -Ouest            | <b>Wilson, Hon / L'hon Jim</b> (PC) Minister of Health / ministre de la Santé  |
| Prince Edward-Lennox-<br>South Hastings /<br>Prince Edward-Lennox-<br>Hastings-Sud | Fox, Gary (PC)   | Sudbury                         | Bartolucci, Rick (L)   |
| Quinte   | Rollins, E.J. Douglas (PC)   | Sudbury East / -Est             | Martel, Shelley (ND)   |
| Rainy River  | Hampton, Howard (ND)   | Timiskaming                     | Ramsay, David (L)  |
| Renfrew North / -Nord  | Conway, Sean G. (L)  | Victoria-Haliburton             | <b>Hodgson, Hon / L'hon Chris</b> (PC) Minister of Natural Resources, Minister of Northern Development and Mines / ministre des Richesses naturelles, ministre du Développement du Nord et des Mines |
| Riverdale  | Churley, Marilyn (ND)  | Waterloo North / -Nord          | <b>Witmer, Hon / L'hon Elizabeth</b> (PC) Minister of Labour / ministre du Travail   |
| S-D-G & East Grenville /<br>S-D-G et Grenville-Est                                 | <b>Villeneuve, Hon / L'hon Noble</b> (PC) Minister of Agriculture, Food and Rural Affairs, minister responsible for francophone affairs / ministre de l'Agriculture, de l'Alimentation et des Affaires rurales, ministre délégué aux Affaires francophones | Welland-Thorold                 | Kormos, Peter (ND)   |
| St Andrew-St Patrick   | Bassett, Isabel (PC)   | Wellington                      | Armott, Ted (PC)   |
| St Catharines  | Bradley, James J. (L)  | Wentworth East / -Est           | Doyle, Ed (PC)   |
| St Catharines-Brock  | Froese, Tom (PC)   | Wentworth North / -Nord         | Skarica, Toni (PC)   |
| St George-St David   | <b>Leach, Hon / L'hon Al</b> (PC) Minister of Municipal Affairs and Housing / ministre des Affaires municipales et du Logement   | Willowdale                      | <b>Harnick, Hon / L'hon Charles</b> (PC) Attorney General, minister responsible for native affairs / procureur général, ministre délégué aux Affaires autochtones                                    |
| Samia  | Boushy, Dave (PC)  | Wilson Heights                  | Kwinter, Monte (L)   |
| Sault Ste Marie /<br>Sault-Sainte-Marie  | Martin, Tony (ND)  | Windsor-Riverside               | Cooke, David S. (ND)   |
| Scarborough-Agincourt  | Phillips, Gerry (L)  | Windsor-Sandwich                | Pupatello, Sandra (L)  |
| Scarborough Centre / -Centre   | Newman, Dan (PC)   | Windsor-Walkerville             | Duncan, Dwight (L)   |
| Scarborough East / -Est  | Gilchrist, Steve (PC)  | York Centre / -Centre           | <b>Palladini, Hon / L'hon Al</b> (PC) Minister of Transportation / ministre des Transports   |
| Scarborough-Ellesmere  | <b>Mushinski, Hon / L'hon Marilyn</b> (PC) Minister of Citizenship, Culture and Recreation / ministre des Affaires civiques, de la Culture et des Loisirs  | York East / -Est                | Parker, John L. (PC)   |
|  |  | York Mills                      | Tumbull, David (PC)  |
|  |  | York-Mackenzie                  | Klees, Frank (PC)  |
|  |  | Yorkview                        | Sergio, Mario (L)  |
|  |  | York South / -Sud               | Vacant   |

A list arranged by members' surnames and including all responsibilities of each member appears in the first and last issues of each session and on the first Monday of each month.

Une liste alphabétique des noms des députés, comprenant toutes les responsabilités de chaque député, figure dans les premier et dernier numéros de chaque session et le premier lundi de chaque mois.

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Joseph Cordiano, Alvin Curling, Morley Kells,  
Tony Martin, E.J. Douglas Rollins, Lillian Ross,  
Frank Sheehan, Wayne Wettlaufer  
Clerk / Greffière: Tannis Manikel

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Finances et affaires économiques**

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Ted Chudleigh, Douglas B. Ford, Tim Hudak,  
Frances Lankin, Monte Kwinter, Gerry Martiniuk,  
Gerry Phillips, Rob Sampson, Tony Silipo,  
Joseph Spina, Wayne Wettlaufer  
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Jack Carroll, Harry Danford, Jim Flaherty,  
Bernard Grandmaître, Ernie Hardeman, Morley Kells,  
Rosario Marchese, Bart Maves, Sandra Papatello,  
Mario Sergio, R. Gary Stewart, Joseph N. Tascona,  
Len Wood, Terence H. Young  
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Gary Fox, Michael Gravelle, Bert Johnson, Peter Kormos,  
Floyd Laughren, Gary L. Leadston, Tony Martin,  
Dan Newman, Peter L. Preston, Lillian Ross, Bob Wood  
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Vice-Chair / Vice-Président: John Hastings  
Ted Arnott, Rick Bartolucci, Dave Boushy, David S. Cooke,  
Carl DeFaria, Tom Froese, Bill Grimmett, John Hastings,  
Ron Johnson, Frank Miclash, Gilles E. Morin,  
John R. O'Toole, Tony Silipo, R. Gary Stewart  
Clerk / Greffière: Lisa Freedman

**Ombudsman**

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Chris Stockwell, Bill Vankoughnet, Len Wood  
Clerk / Greffier: Todd Decker

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Dalton McGuinty, Gilles Pouliot, Toni Skarica,  
Bill Vankoughnet  
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Règlements et projets de loi privés**

Chair / Président: Toby Barrett  
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John R. O'Toole, Trevor Pettit, Gilles Pouliot,  
Sandra Papatello, E.J. Douglas Rollins, Tony Ruprecht,  
Mario Sergio, Derwyn Shea, Frank Sheehan, Bruce Smith  
Clerk / Greffière: Lisa Freedman

**Resources development /  
Développement des ressources**

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Ted Chudleigh, Marilyn Churley, Dwight Duncan,  
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Jean-Marc Lalonde, Bart Maves, Bill Murdoch,  
Jerry J. Ouellette, Joseph N. Tascona  
Clerk / Greffier: Douglas Amott

**Social development / Affaires sociales**

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Dominic Agostino, Janet Ecker, John Gerretsen,  
Michael Gravelle, Helen Johns, Leo Jordan,  
Floyd Laughren, Julia Munro, Dan Newman,  
Richard Patten, Trevor Pettit, Peter L. Preston,  
Bruce Smith, Bud Wildman  
Clerk / Greffière: Lynn Mellor



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## Assemblée législative de l'Ontario

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# Official Report of Debates (Hansard)

# Journal des débats (Hansard)

Thursday 9 May 1996

Jeudi 9 mai 1996



Speaker  
Honourable Allan K. McLean

Président  
L'honorable Allan K. McLean

Clerk  
Claude L. DesRosiers

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# LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday 9 May 1996

# ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

Jeudi 9 mai 1996

*The House met at 1002.  
Prayers.*

## PRIVATE MEMBERS' PUBLIC BUSINESS

### ENVIRONMENTAL PROTECTION STATUTE LAW AMENDMENT ACT, 1995 LOI DE 1995 MODIFIANT DES LOIS SUR LA PROTECTION DE L'ENVIRONNEMENT

Mr Wildman moved second reading of the following bill:

Bill 24, An Act to amend the Environmental Protection Act, the Ontario Water Resources Act and the Pesticides Act / Projet de loi 24, Loi modifiant la Loi sur la protection de l'environnement, la Loi sur les ressources en eau de l'Ontario et la Loi sur les pesticides.

**The Acting Speaker (Mr Gilles E. Morin):** Pursuant to standing order 96(c)(i), the honourable member has 10 minutes for his presentation.

**Mr Bud Wildman (Algoma):** I hope members of the assembly will allow me to use whatever time is left from the total time at the end. Thank you.

I'm hoping we can have a good discussion this morning and that members of the assembly will consider very carefully Bill 24, An Act to amend the Environmental Protection Act, the Ontario Water Resources Act and the Pesticides Act, and will consider supporting this piece of legislation.

The legislation is designed to enable the Ministry of Environment and Energy to crack down on offenders who continue to ignore Ontario's environmental protection laws, especially those who dump waste illegally across the province. The bill would strengthen the provisions of these three acts.

The reason for this is that the Ministry of Environment and Energy officials have seen in the greater Toronto area the need for additional enforcement powers to protect the environment against illegal waste dumping, and to ensure that those who flout provincial laws are stopped.

Between 1993 and 1995, the Ministry of Environment and Energy cracked down on illegal waste operators. They set up a special task force which launched a series of investigations of every waste management company in the GTA. They set up a RIDE-like program which inspected trucks carrying waste on the highways in the region.

By the end of 1994, the ministry had laid 500 charges and issued over 15 orders to close down and clean up illegal dump sites. I think this is an indication of how serious the problem is, and was at that time in the greater

Toronto area. The unfortunate thing is, though, that even with all these charges and orders, some illegal operators continue to defy provincial laws and regulations.

I want to emphasize that this is a particular problem for property owners. Particularly in rural areas, farmers find that someone comes along and dumps waste illegally on their property and they're stuck with the problem. Even if they know who it is, it's very difficult to get anything done. In most cases, they don't know who did it and they're stuck with the problem of having to clean it up.

It's also a problem for those legitimate operators — waste management companies — that are being undercut by these fast-buck operators who will use any method to be able to cut the price and avoid regulations.

This private member's bill gives the Ministry of Environment tools to combat illegal practices and to deal with these fast-buck operators who continue to dump on other people's properties and who treat current fines simply as a cost of doing business.

Illegal waste haulers and dump operators are costing Ontario residents and property owners a great deal of money and they're hurting legitimate waste management companies. These costs are in the millions of dollars for cleanup and loss of business.

Also, these illegal activities undermine Ontario's 3Rs program. This bill would reinforce Ontario's commitment to the 3Rs and to reducing waste that is being put into landfills across the province. It would make it possible for the Ministry of Environment and Energy's enforcement branch to shut down illegal operators immediately, to seize licence plates, vehicle permits and equipment, and to issue stop-work orders and cleanup orders that would have to be complied with. By being able to seize the equipment, these people would not be able to continue operating and simply pay fines. They would be risking a serious loss if they continued to operate against the law.

Under the current law, the Ministry of Environment and Energy can't do these things. It can only require the owner to clean up a site. This is a very serious problem, as I indicated before, for farmers particularly, but for residents of rural areas in general. If the property owner has had nothing to do with the illegal dumping, it is most unfair that the property owner should be left with the cost of cleaning it up, but right now there are no provisions in the law that would require illegal operators, even if they're caught, to make restitution to owners who've had to clean up an illegal dump. This bill would rectify this situation.

1010

Also, the bill would significantly increase penalties upon conviction for illegal operations, it would increase



finer up to four times what the current fines are, it would increase the number of offences that could be subject to jail terms on conviction and it would also allow judges to use more imaginative approaches to sentencing for community service. In other words, the judge might require the illegal operator not only to clean up sites but also to get involved with education and 3Rs programs that would help the environment.

Also, with regard to liquid industrial waste and hazardous waste, the bill would double the maximum jail terms that are now allowable for such offences. These are serious penalties, and I recognize that they're very serious, but I continue to believe that these are very, very serious offences. By bringing in much tougher penalties we would be demonstrating Ontario's determination to protect the environment.

I believe this bill that is being put forward would give the Ministry of Environment and Energy the tools that they need to ensure that there is tough environmental law enforcement in Ontario. The experience we had between 1993 and 1995 demonstrated there was a significant problem in the greater Toronto area. But all of us in this House know that it isn't just a problem in the immediate region of Toronto; it is a problem throughout the province. Too many operators are hurting the overall industry of waste management by being prepared to cut corners and in some cases outright flout the law.

I believe that many, many legitimate operators in the industry would support this legislation. As a matter of fact, I've had such opinions expressed to me by a number of large operators in the waste management industry who would like to see what they call a level playing field. They believe the ministry has to have the power to put the illegal operators out of business, and that's what this bill attempts to do.

It also would be a very clear statement if members of the assembly were to support this legislation in saying that members of this assembly, all of us, all three parties, take very seriously the protection of the environment, we take very seriously the 3Rs program in Ontario and we are opposed, collectively, to illegal dump operations and illegal haulers across Ontario.

I've had too many farmers in my own area, where I suspect the problem isn't as serious as it is in many parts of southern Ontario, get stuck with having to clean up illegal dumps of tires, construction materials and sometimes just domestic waste. It's unfair to those property owners. They should be able to get restitution if they have to make these kinds of cleanups when an illegal operator is caught. The legislation now doesn't allow for that. I hope the members will look very seriously at Bill 24 and consider supporting the amendments I propose.

**Mr Doug Galt (Northumberland):** The indiscriminate and illegal dumping of waste is of great concern to our ministry as well and I compliment the member for bringing in this bill. It is really a significant impact in the form of cleanup and remediation costs. This is true whether the victims are property owners or municipalities. In addition, we are aware that these illegal activities undermine legitimate businesses operating in the waste management and recycling sectors.

The resulting uneven playing field deters potential investment in new recycling and waste management initiatives. These investments are crucial to our work with municipalities in improving the effectiveness and efficiency of the 3Rs programs. Effective, fair and uniform enforcement against those who choose to flout environmental protection laws helps to restore and maintain an even playing field, thus benefiting legitimate businesses and the province as a whole.

We therefore support legislative changes that would increase the effectiveness of our efforts to protect the environment.

Our ministry has analysed Bill 24 and we support in principle and agree with many of its proposals. Reforms such as seizures of licences, permits and equipment are all supported by our ministry and are consistent with our "polluter pays" approach to environmental crimes.

We do believe, however, that Bill 24 could and should do more. It sends out the message that we are prepared to get tough on illegal dumping but needs to address other serious offences which may also be adversely affecting the natural environment. Such an approach would be more consistent with the ministry's statement of environmental values under the Environmental Bill of Rights.

It is our view that the public would be better served if legislative amendments were brought forward in one cohesive amendment package addressing issues in a more comprehensive manner; that is what we are also preparing to do this fall.

As members are aware, the Ministry of Environment and Energy is currently conducting a review of all regulations for which it has statutory responsibility. Concurrent reform initiatives are also being carried out for the approvals process, the environmental assessment process and for the waste approvals process.

Our actions in disbanding the Interim Waste Authority and lifting the ban on municipal solid waste incineration are consistent with the new approach. At the same time, these actions demonstrate our government's commitment to provide local governments with the tools they require to find solutions to their waste disposal problems.

In the course of our regulatory review, it has become clear to us that the current legislation contains limitations that compromise the effectiveness of some enforcement efforts. We are aware of the shortcomings, and the amendments proposed in Bill 24 come as no surprise to us. Many of those amendments, with some modifications and fine-tuning, would dovetail with the objectives of our regulatory reform project, but they would have to be broadened to apply to other enforcement initiatives that protect and conserve the natural environment. They should not be limited to waste handling only.

Our amended regulations will be brought forward this fall in conjunction with our regulatory reform. Besides streamlining administrative areas that are cumbersome and inefficient, the changes will result in leaner and more effective enforcement provisions. We will be providing our field staff with improved tools that allow them to effectively stop repeat and continuous offenders.

As we move towards more efficient regulation and the elimination of unnecessary restrictions on legitimate businesses, it will be imperative that there be appropriate



laws to deal with those individuals who have no regard for the environment or for the public interest.

At the same time, of course, any proposed broadening of powers must ensure their fair application by incorporating all necessary safeguards, such as appeal routes and notice provisions. By developing laws that are both fair to those who comply with them and appropriately punish those who break them, we can develop a level playing field for businesses in Ontario. It is important that the environmental agenda ensure continued protection for the environment and reflect the government's desire to create a better business climate in the province. With such a level playing field, industry can once again feel confident that Ontario is indeed a good place to do business.

We will continue to focus our compliance and enforcement activities on issues that produce real environmental benefits, for example, by doing more spot checks of significant activities and spending less time on nuisance-type occurrences that are best handled at the municipal level. In short, we are strictly enforcing existing regulations even as we press ahead with the job of developing more effective ones.

In approaching the task in this way, our goal is to create a new environmental management and regulatory regime that meets four distinct objectives. To begin with, the new regime must be effective; it must provide better ways to protect the environment and ensure that problems are identified and resolved as quickly as possible.

The regime must also be efficient. By that I mean that the benefits of regulations would have to exceed the costs.

Greater emphasis must be placed on results, and less on the process by which they are achieved. The ministry must identify where the command-and-control approach to regulation and enforcement can be complemented with other methods of environmental management, such as market-based instruments and voluntary agreements. This will mean injecting more rigorous efficiency tests into our policy development process. Our new regulatory regime will also have to be flexible. Solutions to environmental problems must be designed in consultation with those affected, and we must look beyond the immediate answer of a regulation for every issue. We must have a system that can adapt to circumstances.

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Finally, our new regime must be fair in terms of establishing a level playing field between companies within sectors and between municipalities. It must also be fair in terms of harmonizing our standards with those of other jurisdictions.

In meeting these four reform objectives, we will continue to protect the environment in a way that is more responsive to the needs of people and the regulated community. We will be making a significant contribution to the need to reduce barriers to economic renewal and competitiveness.

But regulatory reform is not something government can do all by itself. It has to be a consultative process, and that is the way we have been proceeding. Right from the start, we have been accepting written submissions as well as meeting with business and environmental clients and our municipal colleagues. We are obtaining their input on

what works and what doesn't work, where the costs are and how we might improve the regulatory regime.

This is indeed a sound approach. Working together as partners, government and private sector have a wonderful opportunity to both improve and streamline our regulations and sweep away obstacles to investment and job creation.

To sum up, we are committed to environmental protection, we are committed to regulatory reform and equally committed to making sure that polluters are held accountable for their actions.

**Mr David Ramsay (Timiskaming):** I'm pleased to stand in my place today and speak to this private member's bill, and I was just going to ask the same question I heard asked rhetorically from the initiator of this bill, the member for Algoma. I wasn't quite sure from the previous speaker, the member for Northumberland, if he is supporting this bill. I would certainly hope that all members in this House could support this bill.

**Mr Garry J. Guzzo (Ottawa-Rideau):** He's waiting for the Liberals.

**Mr John R. Baird (Nepean):** He's waiting to hear your speech.

**Mr Ramsay:** I'm going to support it. I just hope you do, and I hope I can convince you. I guess that's what this is all about.

*Interjections.*

**Mr Ramsay:** They're wavering over there. I can see some of the members saying they're not quite sure.

I think what this bill speaks to — and it really applies to any sort of law or regulation — is that if you have law and regulation on the books in the Statutes of Ontario, then they should be enforced, and I think we all would agree with that here. What the member is saying is that the enforcement tools and vehicles, if you will, that our environmental enforcement officers have are not sufficient to do the job, are not sufficient to enforce the laws that are there today. So really the member isn't pushing for greater regulatory reform, though I know that we are quite anxious as to what this government is going to do in regard to regulations, but what the member is really talking about is to make sure that the environmental enforcement officers have the tools to do the job properly.

I'll give you an example of what we've done in the Ontario government — and all governments support this — in giving our enforcement officers the tools to do the job, and that is the conservation officers who work for the Ministry of Natural Resources, I guess the few that remain — I look back to our natural resource critic — and what's very important is that over the years we have understood that poaching, which obviously is the stealing of our natural wildlife, out of season and against the law that we regulate, is wrong and that it's so wrong that it's extremely important that we arm our conservation officers to the equal or better of the people they come up against. This is exactly what this member is saying in regard to environmental regulation and enforcement, that we give those officers out there, the women and the men we ask to enforce our environmental regulations, the tools with which to properly fulfil their responsibilities.



In regard to enforcement of conservation officers by those people, they are armed, for one thing, and the only reason they are armed, of course, is that the people they come against are also armed. They have the powers and the rights to seize all the equipment used in committing that crime. That's a very important aspect to this particular bill also, so that if an environmental enforcement officer sees, comes across, witnesses a transgression of our environmental regulation — for instance, somebody dumping on a farm some sort of waste, whether it be industrial or household waste, on private property somewhere — that enforcement officer has the power and has the right to seize that equipment that the perpetrator had used in committing that act.

Only if we get serious about the enforcement of environmental regulation are we going to be able to stop these sort of transgressions that happen, as the initiating member, the member for Algoma, has said, right across rural Ontario. I am somebody who lives in rural Ontario. I live on a farm. We see certain people from day to day take advantage of the great spaces that we live in and create havoc and hazard by unlawfully dumping waste on private or public lands. We need to give the tools to our enforcement officers to make sure this doesn't happen.

I support this and I think the majority of the members in my caucus also support this. I would hope the government members especially would support this, because you have the power to nix this or to support it and let it move through to the next stage. I see this as a friendly piece of legislation that you could incorporate in your legislation. This is an opportunity, I think, for all members of the House to work together to really, truly become legislators and come together on a piece of legislation in a tripartisan way, to work together, maybe looking for some improvements at committee stage, at second reading, and bringing it back here and really saying: "The public sees us quibble back and forth during question period and other times during the House, but maybe there are some things we can come together on. We can work together as legislators for the betterment of all the people of Ontario."

I really don't see the politics in this and I don't see the partisanship in this. I think basically it's motherhood. We obviously believe in our environment in Ontario. I know every member of this House believes in the sanctity of our environment and protecting it, and especially in having the ability to enforce the laws that we have today. We all agree with those laws. You are the government and you obviously agree with those laws. Previous governments of all three parties have built over the years I think a body of environmental law that we can all be proud of here.

We are one of the jurisdictions that really is on the forefront of environmental legislation in North America and around the world, but especially in North America. I think we should all be very proud of that because all three parties represented in this House have taken part in the building of that body of law.

I think what today the member is saying is that we should make sure that we have the tools to enforce that law, that the law is not just there as a sham or a face but actually has meaning, and that we give the men and

women we hire to enforce those regulations the proper tools to do the job so that those operators who do not play by the rules understand that if they do try to break these rules and regulations they will be caught, they will be punished and dealt with appropriately.

As the member for Algoma says, this is only fair to those majority of people who do play by the rules, who respect the environment, who are in the business, as we all as a jurisdiction have to be. We have to have people who handle our waste. We obviously want the very best people to handle our waste. It's not a type of activity that we all like to think about every day, but obviously it's a necessary activity of the human endeavour. We have to handle it well; we have to handle it in an environmentally sustainable way.

What the member is saying in this piece of legislation is, let's make sure that we give teeth to the rules that we have on the books today. That's what the member is asking for. I certainly support that and I would hope all members of the House support that too.

1030

**Ms Marilyn Churley (Riverdale):** I take pleasure today in having the opportunity to stand here and support my colleague from Algoma on his Bill 24 and to also thank and congratulate the member for Algoma for carrying on with this work now that he is no longer the Minister of Environment for Ontario. I know, however, that the member for Algoma, and our very popular interim leader, I might add, has a strong interest in protecting the environment and continues today in that trend.

I see that the member for Bruce is here today. I think it was two weeks ago I learned a lesson in this House, and that is not to get too fiercely partisan in private members' debates. I'm happy to say that despite my partisanship in the last debate we had in private members' hour on an environmental resolution, which was mine, on cancer prevention and phasing out carcinogens over time, I did, I'm happy to say, get support from enough members of the House from all parties to go ahead and set up that task force to find ways to phase out and ban the most serious persistent toxins in our environment, which proves to me that we can all try to work together.

So today on this bill I'm not going to get overly partisan. It might be a little difficult because obviously we have disagreements on environmental protection and that becomes very, very clear on a daily basis. I would say, however, that after listening to the speech by the parliamentary assistant to the Minister of Environment and Energy, it seems to me, and perhaps this will be clarified, that he was saying although he generally supports the direction of this bill, because of the red tape review which is ongoing, this is not a good time to be passing such a bill. If that is what he's saying — and again I'd like him to clarify that — perhaps what I can do is convince him and his members today to allow this second reading to go ahead so that we can have more discussion on the bill.

When Mr Wildman was the Minister of Environment he began the process of cracking down on illegal dumpers by setting up a special task force, and in just 18



months task force members laid more than 470 charges. There were 14 ministry orders to close and clean up illegal waste sites. But as the member for Algoma pointed out, there are loopholes in the existing legislation which must be closed, and I think all members will agree with that.

When I was first elected, between 1990 and the few years after 1990, I heard from several of my constituents. One in particular comes to mind, a constituent who lives in Riverdale but had some property and I believe a warehouse on the site that he used for business purposes. Somebody came along, I suppose late at night, and dumped an enormous amount of waste on his property, including old tires and God knows what else. It was an enormous amount, something he couldn't possibly just clear out himself. He was ordered by the ministry to clean up that site and to pay for it. This man did not have a lot of money. He was a small businessman and was just getting by and he couldn't possibly afford to clean it up. I believe at the end of the day he had to borrow money to clean up somebody's waste. I'm sure many of us in this House have similar stories.

Just on that front alone, to protect the people who have private property that is being used to dump illegal waste, certainly I think we would all agree that we have to close the loopholes that make it possible for these private land owners to have to clean up themselves.

On the other issue around the dangers, particularly around hazardous waste being dumped illegally, there's no question that there has to be very severe punishment for that kind of illegal activity. It is an enormous threat to our health when we don't know what is in the waste that's being dumped and it could end up in some way in our food chain or water, or workers could be damaged and their health threatened just in the process of cleaning it up.

I would like to say that I have some real trouble with the concept of voluntary agreements. I just don't agree with that approach. I believe it's been proven over time that people need very clear, straightforward, transparent rules and regulations which apply equally to everybody. I believe that is the only way we're going to have the ability to make sure as a society that our waste is handled in a safe way for all residents of Ontario. I know the red-tape review is going on. I sincerely hope that government is very, very careful in terms of its approach to voluntary agreements to make sure the rules apply to everybody in a fair and consistent way.

I'd like to end on the issue of enforcement. It's absolutely necessary, and I know that the parliamentary assistant agrees with this, and I believe he's said it himself in his speech, even in the process of the cutbacks that are happening, and staff reductions, if we have rules and regulations and the people aren't there to enforce them, it hardly means anything. I'm glad to hear the parliamentary assistant today talk about the importance of enforcement and glad to hear him confirm — I believe I heard, anyway — that enforcing regulations around the management of waste would be a priority for the ministry.

I hope today that all members in the House — I know we all agree with the concept of this bill before us today — will agree to support the member on second

reading of this bill so it can go forward and we can have more discussion together, all three parties, about the best way to proceed. It is very clear that we all agree that the rules and regulations and enforcement around the illegal dumping of waste has to be attended to. I believe the member for Algoma, with his experience on this issue while serving as Minister of Environment, is very aware of what needs to be done. After all, he headed up the task force, he looked at the issue very clearly and I believe the bill embodies and takes care of most, if not all, of the loopholes in the present legislation.

So again, I would urge all members to support the second reading of this bill today.

**Mr Peter L. Preston (Brant-Haldimand):** I stand today to speak in support of the initiative put forward by the honourable member for Algoma. My notes say to pause here to give Mr Wildman time to recover. You see, I seldom agree with Mr Wildman's political views, but that's the way it is.

**Mr Baird:** Always interesting, though.

**Mr Preston:** Yes, always interesting. I understand that he's in opposition and he feels he must undermine everything we do, but that's not going to be my position today. I understand the sense of frustration that the members opposite must be feeling in the last few days in trying to find something to complain about, anything to complain about, in our latest legislation, but I guess when facts don't suit they fall back on fairy tales and they bring the bogeyman out of the closet. The bogeyman is out of the closet. This government has seen him, we've met him, taken steps to defeat him. This latest budget is full and ample evidence that he's on the run. Those are the facts, not fairy tales. But I digress.

This is my maiden speech. I spoke about three months ago. Unfortunately, I started at five minutes to 6. Time constraints shut me down. This I understand; my mother did not understand. So a word of caution, more to me than you: I don't want to get cut off today and have you have to deal with a 95-year-old firebrand, because if she thinks her son is badly treated, the protesters we've seen down here will look like the welcome wagon.

1040

While I have in the past fundamentally disagreed with Mr Wildman's politics, I feel the environment should be apolitical, as members opposite have said. There is no room in the environment for politics. I have six children; I have 12 grandchildren. I want this world to be the best possible world for them, their children and their children's children.

The opposition would have you believe that as Tories we put business ahead of the environment. This is fundamentally untrue. A strong, vibrant environment is just as important as a strong, vibrant economy. I strongly support Mr Wildman's initiative in strengthening sanctions against offenders of our pollution laws, written and unwritten, for I feel there are some laws that still need to be written regarding pollution.

We want to assure the people of Ontario that our government is prepared to enforce strict pollution control measures and that we will prosecute to the full extent of the law anyone who violates our guidelines. As the honourable member Dr Galt pointed out, our government



is pursuing a comprehensive set of principles, guidelines and laws to deal with those who consistently break the law and endanger us and, more importantly, our future generations.

I will be voting in support of this bill. It enables the ministry to act in an expedient manner, utilizing the threat of plant closures and equipment seizures as opposed to simple fines, because fines are considered the cost of doing business. As Mr Palladini has said in respect of the trucking industry, this is fundamental as it does not interfere or unnecessarily hinder those companies which comply with ministry guidelines. Frank Sheehan and the Red-Tape — pardon me, Frank Sheehan and the Red-Tape Review Commission —

**Mr Gilles Bisson (Cochrane South):** That's hard to say; I know what you mean.

**Mr Preston:** It is terrible to say, yes — will be working to streamline and clarify those regulatory burdens.

I know personally of some businesses that would rather pay fines than clean up their act. When asked why these repeat offenders are not stopped, the ministry responds with a sigh and says it must follow the letter of the law. They must prove that violations occur and get injunctions to stop them. This bill now gives them the authority needed to enforce such laws in a timely manner. As the honourable member for Northumberland stated, the Ministry of Environment will bring forth legislation this fall which will enhance the steps taken here today.

By working with the members opposite, it is my hope that we can find common ground to ensure that future generations are left a clean, healthy environment because, because although we are undoing the financial damage — it's taking us five years — it can take a lifetime or more to undo damage to our environment.

**Mr Michael A. Brown (Algoma-Manitoulin):** I'm proud to participate in this debate in support of the bill from the member for Algoma. I think he described himself as Bud "Mr Compromise" Wildman in a recent committee meeting.

As I listen to the speeches being made by all members, I would like to point out that this is an important bill. It is to rectify the situation that occurs with local land owners who inherit liabilities over which they have absolutely no control, illegal activities, and it needs to be addressed. It also protects the legitimate private sector waste haulers and waste disposers in this province that are undercut and damaged by the actions of an unscrupulous few.

I have, as I suspect most members have, and probably even the member for Algoma, some reservations about some of the mechanisms. I don't think that should stop us in any way from moving forward with this legislation.

One of the things I fear in here today, one of the things I really fear, is that this bill will receive unanimous approval in the House today and then it will be sent off to the Never-Never Land of committee of the whole. That would be disastrous, I would say to the government members. It needs to be sent to the resources development committee or another such standing committee of the Legislature for public hearings, so that we can remedy the faults that may be in the bill. That's the way

the process works. No member comes here with a bill that they believe is absolutely perfect and can't be improved. That's what this place is about and that's what the standing committee process is about.

I say to the government, if you are in support — and I'm glad you are; it sounds as if there is broad support in this House for this legislation — don't let this bill die. Make sure that it goes to public hearings, make sure that the people of Ontario can comment upon this and make sure that we can come out of this with a bill that accomplishes the objectives the member for Algoma is putting forward today. It would be a travesty for this bill not to have public hearings, and I want to tell you why.

I want to tell you about the red-tape review and the environmental regulations in general. One of the things that's happening here is that they're being updated, so to speak. There's nothing wrong with that. They've needed to be updated. They should be updated. In some cases, they don't attain the objectives they were designed to attain. The world changes. People find ways around them. Some of them become outdated and outmoded and don't need to be there any longer, at least in the form they are there.

But the problem with this is that there is no public input into the review. I think all members would like to see, on environmental acts and on environmental regulations, a real public process around a reform of those very important provisions in the regulations.

I am suspicious, as many members are, given the attack on the Ministry of Environment's budget and given the attack on the Ministry of Natural Resources's budget, that these regulations are really not about reform. They are not about reform at all. They are not about improving the environment. They are about a systematic destruction of Ontario's environmental leadership over decades, under all three political parties.

In a non-partisan way, I would ask the government to come clean on this regulation reform. Put it out for public discussion; show us your options; tell us why they're better or why they're worse; tell us why you're making particular adjustments to those regulations; tell us how you're improving efficiency; tell us how they are sustainable over the long term. Make sure that you're not giving Ontario an environmental deficit that will be carried on the shoulders of our children and grandchildren and their grandchildren, make sure that this is not about short-term political gain in the province and make sure that we are really looking after the environment and sustainable development in this province.

The objects and the mechanisms in this bill are not unusual. They do occur in the Ministry of Natural Resources, where we are protecting our natural resources through the fine work of our conservation officers, with many of the same penalties. The government itself is proposing to us to deal with drunk driving and other such problems through administrative policy that would do much the same thing.

The objection on the basis of, "You haven't had your day in court," and all that kind of stuff is a reasonable one. But there are occasions in this province where a reasonable administrative review will solve many of the



problems that I think the government might object to, and I personally would object to, and still attain justice and protection of the environment.

The member has identified a real problem that I really wish he'd come forward with addressing when he was the Minister of Environment, but in the fullness of time he is proceeding with this motion. He would have had much more chance to pass it when he was the Minister of Environment, but nevertheless, I'm calling on all reasonable members on all sides of the House to support Mr Wildman's resolution in the hope that we can take it to committee, we can have public input and we can really protect those land owners in my riding and other rural ridings across the province from what's happening with these waste disposers, the illegitimate, unscrupulous ones. They hurt the vast majority of people in this industry who behave in a responsible manner, lower, unintentionally, our environmental standards and cause a huge burden to land owners in this province who inherit liabilities they had absolutely no responsibility for.

I think all reasonable members will not only support Mr Wildman's bill, they will also support its going to committee and having full public hearings across this province and they will tell the government that it's unacceptable for the ministry to revise, reform, whatever you call it, environmental regulation and natural resource regulation without the input of the people of Ontario.

**Mr Wildman:** I want to thank my colleagues from all sides of the Legislature.

1050

**The Acting Speaker:** There are still 54 seconds left for this side. If you want to use them or give them away, I'm in your hands.

**Mr Frank Klees (York-Mackenzie):** I'm pleased to rise in the House to say that I intend to support the member's bill.

I have one concern, and perhaps the member can address this, in section 19.1: "A provincial officer may, without a warrant or a court order, seize a vehicle or other thing if he or she reasonably believes...." I wonder if the member had anything in mind specifically when he referred to the "other thing," if he could clarify that for us, please.

*Interjection.*

**Mr Wildman:** I'm not sure how I should respond to that.

I thank the members from all sides of the House who supported the legislation for second reading. I hope they will agree, as the member for Algoma-Manitoulin has said, to have the bill go to the resources development committee. I don't necessarily believe, as the member who just spoke has pointed out, that the bill is drafted as tightly and as clearly as it might be. I'm aware that it could be improved in clause-by-clause in committee. I'm not here attempting to bring in new regulations for protection of the environment but rather to give to enforcement officers the tools to enforce current regulations under these three pieces of legislation.

That is why this legislation wasn't brought forward under the previous government. Frankly, we believed at the time that the task force, with concerted effort involving the enforcement branch, the police, the municipal

authorities, the fire departments and so on, all of whom were involved in the task force, would be able to make really significant progress in bringing an end to illegal dumping in the GTA. They did lay a lot of charges but it became apparent, going into 1995, that some operators — not many — treated the fine simply as a cost of doing business and that there needed to be changes in the enforcement powers, in the tools given to enforcement officers. The period of time ran out for the government and that's why the legislation didn't come forward.

I hope this government will consider very carefully ensuring that enforcement officers have the tools they require. The MPP for Northumberland mentioned the government's changes to reform the environmental regulations. We're looking forward to what the government brings to the House in that regard, and I hope this bill can go forward in the meantime and that we can give enforcement officers the tools they require.

What I'm talking about here, to make it clear for everyone in deciding whether or not to vote for the legislation on second reading, is to allow provincial officers to make enforcement orders and seize vehicles and other things used in the commission of offences; to allow the courts to order forfeiture of vehicles and other things in the commission of the offences — those other things might be backhoes, buildings, gates, fences, I'm not sure, but we can certainly look at those in committee; to facilitate the service of summonses against corporations under the three acts; to prohibit the keeping of false records and the refusal to furnish required information to enforcement officers; and to increase penalties for certain offences under the three acts.

As many members have said, the purpose of this is to protect the environment, but also to make it fair for legitimate business operators who are in the waste management industry. It is most unfair that legitimate waste operators sometimes have to use very expensive methods to manage waste properly and that other operators who compete with them and do not use those same methods are willing to cut corners and dump illegally, and are therefore hurting the business for legitimate operators and in some cases putting them out of business. We've got to make it so expensive for these illegal operators that it is not profitable for them to use illegal approaches so that there is a level playing field in the industry. In a sense, and I mean this sincerely, this is intended to protect legitimate operators in the waste management business.

It's also particularly important that we protect innocent land owners who may own a few hundred hectares of property in rural Ontario who suddenly will find, one day when they're out on the back 40, that somebody has come along and dumped a whole lot of tires, for instance, on their property without permission and without permit. The problem is that the land owner, under the current legislation, is stuck with having to clean it up, and there is no provision under the current law for the illegal operator, even if he's caught, to make restitution to the property owner. That's most unfair, and I think we should do everything we can to ensure that property owners are protected as well as protecting the environment.



I appreciate the support the MPPs for Northumberland, Timiskaming, Riverdale, Brant-Haldimand and others have given the legislation this morning. I hope members will support it on second reading and that we can refer it to the resources development committee for refinement, amendment and improvement so that we can all work together to ensure that we protect the environment, legitimate operators and property owners in this province from illegal dumping.

In that regard, I would like to talk a little about what led me to move the bill as I did. Between 1993 and 1995 the task force that was brought together discovered, not just in rural Ontario but in some parts of urban GTA, warehouses that were supposed to be transfer stations where an operator had a permit for a transfer station, they came along and completely filled up the warehouse with waste, right up to the roof, and then just abandoned the warehouse. We then had this building, a firetrap in most cases, sitting there. The operator in some cases went out of business, no longer was operating the same business or may have been operating another waste management business, and the municipality was stuck with having to clean up this fire hazard and deal with the waste.

In other cases hazardous wastes were being dumped into the municipal sewer systems and that caused serious environmental problems and again the municipalities were stuck with the problem.

In addition to what I was saying before, this is an attempt to strengthen the powers that municipalities have to protect themselves against additional costs that are incurred because of illegal operations and illegal dumping.

I hope all members will support the legislation and agree to have it go to the resources development committee for further amendment after second reading.

1100

### SPIRITUAL EXPRESSION IN SCHOOLS

Mr Stewart moved private member's notice of motion number 17:

That in the opinion of this House, since the expression of spirituality in public schools is currently limited only to the reading of prayers and other spiritual texts, and that the multifaith character of Canadian society has never implied that particular expressions of, as well as education about, diverse spiritual traditions are to be suppressed, but openly celebrated and respected by students and all Canadians as part of the intrinsic fabric of our country, and

Since spiritual expression and reflection is an important part of the overall development of values and the communication of the varied role of spirituality in our lives, and that open spiritual expression is practised within the publicly funded separate school system,

Therefore, the Ministry of Education and Training should recognize the important role of spirituality and spiritual expression among students of multifaith traditions in Ontario's public school system by allowing local public boards across Ontario the right to determine for themselves how such spiritual expression should be included in the daily activities of their schools.

**The Acting Speaker (Mr Gilles E. Morin):** Pursuant to standing order 96(c)(i), the member has 10 minutes for his presentation.

**Mr R. Gary Stewart (Peterborough):** Thank you, Mr Speaker and members of the House, for the privilege of participating in today's debate on my resolution which would provide individual public school boards in Ontario the right to determine, along with parents and trustees, how best they can enhance their students' right and ability to express their spirituality. Participation in spirituality rather than non-participation is the goal of this resolution.

My aim in bringing this resolution before the House today is not to impose a particular philosophy or creed on students in our public schools who are of varied religions and cultural backgrounds. My resolution would give our students in public and secondary schools the right to go beyond the study of religions that make up the multifaith society of Ontario and Canada and allow them to express and celebrate their own sense of spirituality, whatever that may be, through external as well as internal ways.

My resolution is about enhancing greater spiritual freedom, not imposing any particular religious doctrine, but it's about providing an opportunity for Ontario students to gain important wisdom from spiritual reflection and experience that will indeed assist them in consciously building a society that is founded on respect for individuals and communities and their cultural and spiritual heritage.

Today's debate is about a continuation of a heated religious issue that began after the September 23, 1988, decision by the Ontario Court of Appeal. The court decision denounced a regulation under the Education Act requiring public schools to use the Our Father prayer along with the readings from the Christian scriptures during opening and closing exercises. In the case of Zylberberg versus the Sudbury Board of Education, the judges ruled that the regulation violated section 2(a) of the Charter of Rights of non-Christians.

Following that ruling, the Minister of Education under then-minister Chris Ward established an interim policy that made opening and closing exercises optional. On January 12, 1989, the education minister announced changes to section 28 of regulation 262 where any content in opening and closing exercises other than the singing of O Canada was to be optional for each public board. Those boards that wished to do so could include one or more readings that impart spiritual values and that are representative of our multicultural society. Readings could be chosen from spiritual writings, including prayers and secular writings and/or a period of silence. Again, no participation by the students.

In January 1990, however, the Ontario Court of Appeal released a second decision on religion in the public school system. In what became known as the Elgin county decision, the Court of Appeal upheld that subsection 28(4) of regulation 262, which required two periods of religious education in public schools each week, violated 2(a) of the charter. The court ruled that subsection 28(4) violated the guarantee of freedom of religion because it had the effect of imposing the religious beliefs of a majority on minorities. The court also upheld that the charter does not prohibit the teaching of religion as a



means of fostering moral values as long as students are not taught exclusively from the view of one religion.

In brief, the court maintained that public schools may raise the awareness of students about all religions but could not impose any one religious view on students. Under then-Minister of Education Marion Boyd, a new policy on religious education in public schools was announced to ensure that what the government understood by the court's decision was upheld. Again, no participation by the students was allowed.

It was assumed by the government of the day that these court decisions excluded the expression of spirituality among public school students of any kind. The decision made clear that a specific religion could not be imposed on students, and I wish to publicly reiterate my concurrence with this fundamental point. But what I take exception to is the view that if I show respectful sensitivity for different religions, I could be accused of supporting one religion over another.

Moreover, I would argue that on the basis of the 1994 Ontario Ministry of Education and Training resource guide entitled *Education About Religion in Ontario Public Elementary Schools*, religious education and spiritual expression have never been viewed by the public as a value-neutral subject compared to subjects such as math or science in which, no matter how they are taught or by whom, the principle of the subject remains the same. It is clearly stated in the guide that "students need to acquire information about and develop respect for religions that are practised in Ontario and throughout the world. By providing the means for them to do so, schools can enhance students' understanding of themselves and others and of the world in which we live." This concept tends to bring diverse communities closer together.

Also under *The Common Curriculum Grades 1-9 policies and outcomes, 1995*, the section on "Self and Society" outlines the topic of "Understanding Diversity and Valuing Equity." Religious education is designed, according to this section, to help students develop the knowledge, skills and values they will need to help build and preserve an equitable society. In the 1985 education ministry announcement on opening and closing exercises, it is explicitly noted that the spiritual readings are to be chosen on the basis of their being able to promote social, moral and spiritual values in a multicultural society.

Spiritual reflection in our public school system is intended to offer some sense of values, responsibility and compassion to the students who study it. I believe that the current religious education programs in the public school system should strive to teach our young people about spiritual reflection and the importance of and respect for life. I believe that participation and spiritual reflection represent what we are trying to achieve. In many cases, a moment of silence serves no purpose other than to reflect on many things not related to the particular subject. By participating, it allows most people to step outside of their own experiences just for a moment and at least think about the common issues we all face.

1110

I would argue that if we already believe that the study of different spiritual traditions has a beneficial impact on students' values, how are we contradicting this by

allowing students the right to express and share expressions of their own spirituality? It is participation. Could not education about values, respect, ethics and understanding for others be even more supportive of our students, again by participating rather than only by instruction? As the great Greek philosophers would argue, separation of theory from practice lies in the root of ignorance. Their unity is the basis of sound education and wisdom.

I'm simply putting forward the view that spiritual expression in the public school board is an important complement to the study of spiritual traditions wherein students gain insight about ultimate meanings. Without the ability to participate in spiritual expression, students are without the right to share what they feel about their spiritual insights and development. What are we telling students about spirituality when we allow them to read the prayers of others, yet students cannot participate in their own prayers or directly celebrate with their multi-culturally diverse colleagues? The aims of spiritual tolerance cannot be furthered by suppression.

I do not, however, wish to have the Ontario government impose more guidelines on school boards in this respect. I believe that local school boards, in conjunction with parents, teachers and students themselves, must decide for themselves how best to allow public school students the right to express their spirituality. We already have a publicly funded separate school board that teaches its own spiritual tradition to students. We also have non-Catholic parents who take their students and their children to Catholic schools or privately funded religious schools because they feel that spirituality is too important an issue in their children's life development to leave unaddressed.

**The Acting Speaker:** Your time has expired. Further debate?

**Mr Alvin Curling (Scarborough North):** I want to speak on this issue. It's a very challenging and difficult resolution, and it's a very sensitive resolution, as my colleague stated.

As I listened to my colleague's resolution, I had some other thoughts. At one point, I was hearing that this resolution was going to bring about one's own individual expression of one's religion. Then I heard in some other part, "allowing others to participate in my religion so they can have more insight." When I hear words like that, I start to consider whether one is trying to influence one over the other. Religion is such a personal expression, and as soon as we bring it within the realm of education, some convincing argument will come about that it is enforcing one's belief on the other.

When I first saw the resolution, I readily said, "I would like to support a resolution like that, where religious expressions of people can be done." But when I looked at the Human Rights Commission regulations, they even have difficulty defining what is "religion" and what is "creed." Although they said one's religion is protected under the Human Rights Code, one has not really come up with a proper definition of what is creed.

I'd like to introduce just the area I represent, Scarborough North, and the diversity of religion and language within it. In 1991 they said there were about



121,000 people there, and I think there are almost 200,000 now. In that area, Canadian-born are just less than 50% — that doesn't mean they are all one religion — and people who are foreign-born are about 54%. Normally, with foreign-born people, there is more diversity of religion. There are over 15 listed languages spoken in Scarborough, but there are really about 30 spoken in total. You can see that religion and language are both quite diverse. That is trying to just define who we are as Canadians, who we are as Ontarians, who we are as Scarborough North. That tells us the complexity of it.

The reason I decided to speak on this resolution is that I visit schools every Friday morning and speak about Parliament and the role of Parliament and what we do, and then entertain questions from the students. One student asked me about the fact that they're not given the right to express their religion inside school, and I don't think I handled the question very well. I think my response was that I'd have to take a closer look at it to find how best it could be done and how best it could be debated. I know the previous government had also wrestled with this, whether the Lord's Prayer should be said or maybe there should be silence, and many compromises came about in dealing with that kind of issue.

It's a very complex issue. Canada is noted for its sensitive approach to religion, to languages. People call it the experiment of multiculturalism. We're looking for answers to how we can live in a better society, in a much more harmonious way, whether it's culture, language or religion.

But as the member read his resolution, as I said, I got extremely concerned. It sounded somehow like we start talking about public schools, that the Catholic schools are funded and they preach their religion, and why should they be given that right over anyone else? We know it's an historic thing and comes with a background of how they came to that level of funding, how they were deprived of that funding, as a matter of fact, how much discrimination happened with Catholics in the past just to be educated. It is extremely difficult.

Religion or spiritual being is a part of human life, a part of human expression, a part of human vision, and if we in any way suppress that, it is going to erupt in other areas where we'd have to pay a higher price.

I strongly believe that if religion is being taught in the school, one has to be extremely careful that we're not talking about enforcing one value over the other but, just like any other thing taught in the school, that students are given the facts and then decisions can be made, more than trying to influence them one way or the other.

But to suppress the religious way of life is quite harmful for the individual's upbringing and the intrinsic value of life itself. As I see it, religion is not that we kneel down to pray at 8 o'clock in the morning as we get up or at 12 o'clock at night when we go to bed, to thank whatever God we have for the wonderful day and the elements of it all. It's a complete way of life, though some of us have narrowed it down. Christians, like myself, narrow it down to Christmas, others to Passover, and go to church and say we have done our bit. But if we are real practising Christians, we behave in a Christian way through the way we live and the way we conduct

ourselves from hour to hour. So do Muslims, so do Jews. It's a way of life. Therefore, to just restrict someone to a certain hour, just a quiet time to express their views, I don't think is sufficient. It's also telling them, "We don't want you to chant, we don't want you to do any of the things that normally you would do, but just to keep quiet for a moment of silence and to pay respect to your God." 1120

Of course one tries to resolve the problem, but I think this resolution, which I welcome because it gives us the opportunity to discuss about it, has to do more. I think it could be very dangerous if we start somehow to make a decision to say, "Yes, this is what should be done," without proper consultation. I, even as a parliamentarian, and the 129 other members here as parliamentarians, should never feel that they have the answer to say, "That's the direction to go." That's why we have consultation, and that consultation method has got to be extremely sensitive and very wide and involve all religion, and sometimes no religion at all. If one's religion is not to have a religion, it's also a religion. The fact is that one has to be extremely sensitive to that.

As I wrestle with this resolution to say whether I support it or not, I just want to be very clear — and sometimes we become rather partisan and political about this. I started off by saying that I would support this, but somehow I don't think I will support this resolution. The problem I have too, and of some concern to my colleagues, is whether or not legislation is the way to go. Do we legislate this kind of stuff? Then maybe this resolution, the resolution itself will open its road to legislation. I think we should legislate the right not to discriminate in regard to these things and giving people equal rights, and then we define what equality is all about. That is so important for us, not to move in the direction of legislation on morality or where one should go and when they should do it and why they should do it.

However, we must also consider the fact that we have a legislated body called the schools, and which we run in a manner of taxpayers' money and how it should be done. The format has to be there to be respected, but in the meantime we must not infringe on people's rights of how to express their own spiritual belief, as long as their spiritual belief does not infringe on others. That is where the complexity comes in, whether or not chanting, for instance, in the schools would interrupt someone who wanted to have a quiet moment to communicate with their God, or whether or not only silence alone should be a part of it. It is a very complex issue, an issue that we must move with in a manner of, I would say, total respect for others and their beliefs.

The resolution I would say has gone a bit far in asking us to say yes or no in this regard, but it is welcome because it then generated that discussion and the discussion should not end here. So the paradox I find myself in is whether I want to make a decision or not. I feel if we are not ready for this kind of a decision, what we should do is then say no to it, but make sure that this kind of debate and discussion comes about at the time.

To give it to boards — and we said of course, and the member here stated, that the teachers and the students and the parents should be involved in that. More than that, the



religious groups have got to be involved with that, whether it's a synagogue, whether it's a mosque, whether it's the pastor of a Christian church who has got to be involved, because somehow the person is taught in the right manner in their own religion how to demonstrate and how to express their religious belief.

I will be voting against this because I think that somehow in voting for it, we would start opening up in a manner where we're telling people that we are moving towards legislation in the expression of one religious belief; a very complex issue, an issue that I really would have loved to have voted for, but I feel at this moment I could not.

**Mr Tony Silipo (Dovercourt):** I welcome this resolution; it's one that, if I were writing it, I would have written slightly differently, but I say that with all due respect to the member for Peterborough, Mr Stewart, who has brought us this resolution.

I think it's a topic that, I would argue, we don't talk enough about, because I think that often when we get into the situation of talking about the role of religion within our society, and in this case within the school system, we tend, more often than I would argue is necessary, to categorize ourselves on either extreme of that argument.

Those of us who believe strongly in the separation of church and state all too often take that position to the point of saying there can be and there should be no discussion at all about religion in our school system. I don't say that's what everyone who believes in that says, but I hear that all too often, as I say. Whereas on the other side there seems to be sometimes too much of a push for saying, no, it should all just be completely open and with total discretion.

I think the notion of spirituality and spiritual expression as part of reflecting the reality of the diverse society in which we live today is something that we should be not only discussing more, as I say, but also within our school system should be the topic of broader discussion.

The only hesitation I have in the way in which the resolution is written is that one could read it in a way that seems to just leave complete discretion at the local school board level on what to do around this very important topic. But I want to read it also in the context and, if you'll excuse the expression, the spirit — no pun intended — within which I think it's presented — and I've listened carefully to what the member for Peterborough had to say in presenting this resolution — in that it does call upon the Ministry of Education and Training, in recognizing the important role of spirituality and spiritual expression, to allow school boards the right to determine how — and I think that's important — such spiritual expression should be included. I presume that the only way in which it could be done, knowing a little bit about the rules that govern education, is in fact for the minister to clarify at least some of the guidelines, if not indeed some of the regulations, around this issue.

So it's for that reason that I want to say very clearly that I support this resolution. I support this resolution because I think there is some merit in going beyond the very good things that are happening now.

I spent some time as a school trustee at the Toronto Board of Education where, among other things, we developed a book of readings and prayers to be used in the opening exercises, long before the question was settled through the variety of directives from the ministry that the member for Peterborough referred to earlier, the point of that book of prayers and readings being to reflect the diversity that exists, certainly within a school system like the Toronto school system, the diversity of cultures and certainly the diversity of religions.

I take very much the intent of this resolution as being that we should not be afraid to build upon that type of approach and to say that in fact the way to respect the different religious and the different spiritual beliefs that our citizens and hence our young people have, including, I would say, the fact that there are many among our population who consider themselves to be either agnostic or atheist, that there is in fact an ability within our system to reflect that diversity, as opposed to saying that the way we're going to respect that diversity is by ignoring that reality which many of our young people bring with themselves to school.

I've always been one, whether it's been on the questions of culture, on the questions of race and indeed on the questions of religion, to say the way that you must effectively respect the diversity that exists is by talking about it, by giving people the opportunity to understand each other better. It's in that spirit that I want to support this resolution, because I think that out of it might come some interesting discussions and, I hope, some more useful guidelines that could go from the ministry to the school boards in terms of how these issues can be looked at.

1130

I certainly recall in some of my own education, back in Australia, in a public school, where once a week there was the opportunity for a variety of religious classes to be offered. I see that as merely being one possibility. I don't know that it would work or that it's something I would necessarily say ought to be part of our public school system, but I think it's one way to reflect that diversity.

Another would be simply to ensure that in the appropriate way in classrooms, with teachers obviously having the ability and the background to be able to do this, there was some ability for young people to understand the different religions and to be able to express to their fellow students what it is about their particular religious beliefs that they feel strongly about, not as a way to try to impress upon others that one religion is more important than another or purer than another, because that's a debate that I think would be inappropriate, but as a way to simply say, "This is part of who I am." If part of who a young person is also comes from a frame of mind that says, "I don't have a religious belief, but here is my set of morals and here is my set of beliefs," that is also something that ought to be just as equally recognized and reflected. I'm assuming that's also part of the spirit of this resolution.

I think this is the kind of thing that might engender some broader discussion, and for that reason it's useful. I think it's better to reflect the diversity we have by



talking about the differences and the different approaches that we have, rather than trying to bury those and say, "We're not going to deal with those." In that sense, I support this resolution before us today.

**Mr John O'Toole (Durham East):** It's a pleasure today to stand to support the private member's bill, ballot item 28.

I recognize the importance of faith and morals in a tolerant society. Our children need to participate and to fully understand themselves, and in that, to understand each other.

Thank you to my fellow peers for allowing me to speak.

**Mr Gilles Bisson (Cochrane South):** I want to take a short opportunity to comment on this particular resolution. I will not be voting in favour of this resolution, but for the record, I would like to make sure people understand why.

I think it is a well-worded resolution. To give credit to the member, I think what he's trying to do here is in itself not a bad thing, and looking at the wording, it is very well put together. But the difficulty I have is that what we're saying here — and I just want to read it. It says, "The Ministry of Education and Training should recognize the important role of spirituality and spiritual expression among students of multi-faith traditions in Ontario's public school system by allowing local public boards across Ontario the right to determine for themselves...."

The difficulty I have is that I really don't believe we should go to the local boards with that particular issue. It should be a power left within the Ministry of Education to determine what the policy should be when it comes to the question of religious education within the public school system.

As my colleague from Dovercourt said, there are people out there who believe quite strongly that there needs to be a separation between church and state.

Really, the question here is twofold: Do we want to teach particular religions within our public schools; in other words, do we want religious classes in our public schools that teach Anglicanism, the Pentecostal religion or the Jehovah and Hinduism religions, or do we want to teach children about different religions in order to build tolerance? When I look at this particular resolution, I think it would be left fairly open to the interpretation of the school boards, and I quite think we'd be in a situation of a charter challenge if they were to interpret it along the first line.

I'm not going to take a lot of time. I just want to say I will vote against it on that basis. I believe, like the member who brought this resolution forward, that we should be trying to find ways to teach religious tolerance within our school system. Maybe what we need to do is go to the second, which is to try to incorporate within our public school system a system of education that tries to teach tolerance so that children are able to come to school, are able to share with other students the beauty of their religion with other students and at the same time learn a little bit about the other children's religions so that we can build tolerance. But I would have difficulty in going to a system where we purely are teaching

different religions in different classes, and I will vote against this motion.

**Mr Wayne Wettlaufer (Kitchener):** I am very pleased to have the opportunity to speak to my colleague from Peterborough's resolution. In many ways I know that it directly challenges the very fabric of the educational system in the province. It raises the basic question, what exactly is the purpose of our educational system? In general terms, it raises the question, what are we striving to accomplish as a society by even having an educational system?

Year after year, the taxpayers pour multibillions of dollars into education, and yet today there is growing criticism from many parents that the system is failing their children, both in the technical skills such as reading, writing and mathematics, but perhaps even more importantly they believe the schools are failing in the social areas.

I think that few in this House would argue that a top priority of our educational system must be the development of socially responsible, caring children who will grow up to become socially responsible, caring adults. Children are this province's greatest asset. On this I think we all agree.

In my riding of Kitchener, we have a major park called Victoria Park. This summer the city of Kitchener is celebrating the 100th anniversary of the park. Every weekend in the summer the playground in the park is alive with the sounds of hundreds of children laughing and playing. For me, the children playing in Victoria Park have come to represent all that is good in my riding and in the province.

I can watch the children play catch with their parents. I can watch as they timidly climb the stairs to the top of the slides and slide down with shrieks of laughter. I can hear the shouts of "higher" as they encourage their parents to push them harder on the swings so they can try to touch the sky with their feet. I am forced to smile watching the children run in and out of the water spray-pole, trying not to get wet while being thrilled when they end up being soaked because their little legs won't carry them away from the water fast enough.

This wonderful summer life of Victoria Park is very much the same today as it has been every summer for 100 years. But despite the obvious wonderful similarities of the summer life in Victoria Park, there is one significant difference. That difference is in the makeup of the families who take their children to the park. Today, the summer life in Victoria Park represents a microcosm of the social fabric of our great province. Today, the children who play in the park represent the cultural mosaic that is the strength of our communities.

As hard as it is to imagine, it is a fact that less than three decades ago there were 1,446 school boards in the province of Ontario. The school system was based upon what was then perceived to be in the best interests of the region it served. Today, the challenges of the educational system are significantly different. The educational needs of our children now must be viewed from a global perspective.

Today, the educational system faces the challenge of preparing our children to be able to think in terms of and



to be able to socially interact with an international perspective. Today, the children in Victoria Park represent families with backgrounds from every corner of the world. The truly wonderful aspect of these obvious cultural and racial differences of the children is the tremendous strength of the cultural similarities that also exist between the families who take their children to the park and the children who play together in the park.

I am of the belief that every child playing in Victoria Park has a gift to offer us. I am of the belief that these children can teach us how to better get along with each other, how to play together, how to work together and how to appreciate each other, not in spite of our obvious racial and cultural differences, but because of the obvious similarities we share with all peoples from all parts of the world. The time has come to learn how to celebrate the positive aspects of all cultural backgrounds of the children in our school system.

1140

The time has come for us to also accept the fact that the social backbone of every successful culture is its spirituality as defined by its major religions. Sceptics want us to ignore this basic historic fact, but ignoring this fact is to do a great injustice to the great cultures throughout the world. We gain nothing from ignoring this reality, but we may gain from recognizing it and our children may gain a small insight into the differing heritage of some of their schoolmates. I have long believed that only through increased education might we eliminate the ignorance of other beliefs that is the root cause of racism.

We have had a generation of increasing emphasis on legislation but less emphasis on education. To force bilingualism and biculturalism, then multiculturalism, on Canadians when they should have been embraced by all of us, what we have fostered is resentment and increasing racism. If we are to eradicate this disease, we must do so through the education system.

I recently had the opportunity to attend a number of citizenship courts in Waterloo region. It amazed me to find that the people receiving their Canadian citizenship were from more than 30 different countries. Think about that, Mr Speaker. People from 30 different countries, all with varying cultures and many religions from around the globe, chose Waterloo region as their home. I think it is worth the time and energy to learn just a little bit about the spiritual aspects of the cultures that bind them together.

Our school boards should be given the opportunity to take time each day to identify a positive spiritual thought representative of the cultural background of their student bodies. I believe that a moment of spiritual expression and reflection is itself a small step, but it is an important step because it helps send out the message to our young people that we once were all from a different heritage and that each of us has something positive to learn from those from differing racial, cultural and spiritual backgrounds.

The time has come to start the process of celebrating the strengths of all the cultures which make up our new social fabric. I believe this resolution is a small step along that road and I will be supporting it.

**Mr Tony Martin (Sault Ste Marie):** I appreciate the opportunity to speak on this subject this morning since it's a subject that is very close to my heart and in some very significant instances some of the motivation for my actually being here in this House.

It is because of the spiritual upbringing and understanding that existed in my home as I grew up and in the community in which I lived and the interaction that I had with people over the years both on an informal and formal basis that I'm able to stand here today with some confidence that I reflect in some way hopefully a balanced approach to the way we set the rules that govern us and guide us in this wonderful province of Ontario.

Certainly the resolution that's in front of us today speaks to something that I think is innate to the very beautiful nature of the country we call Canada. The fact that we have so many people among us because of our, I think, very progressive immigration policies — I myself came to this country in 1960 with five sisters and a brother and my parents to a community, Wawa, north of the community that I represent today, Sault Ste Marie. In arriving, I discovered the variety of nationalities and people who were there who professed their belief and nurtured themselves spiritually in ways that were, yes, different from perhaps the very formal way in some instances that I did my spiritual exercises, but nevertheless were very supportive and helpful and positive in their life.

As Canadians, we pride ourselves on the fact that we see diversity as something that enriches us and makes us better as a country, that actually sets us out on the world stage as an example of the way people with diverging views on things from culture, politics and, yes, religion, can live together in harmony and enhance the fabric and the very nature and future hopes and opportunities not only for us but for our children and our children's children.

This resolution today, in my mind, gives us an opportunity to reflect on that for a moment and to speak to it in a very specific way re how we in fact foster, encourage and nourish the spirituality that is at the root of the lives of so many of us and so many of the different groupings that we find in the communities that make up Ontario today.

I personally feel that all of us, in very direct and helpful ways, need to focus on parts of who we are in order to be balanced and productive and contributing individuals. Certainly we all need to be very social beings, and I think we need to nourish that by having friends and spending time with friends and family. We all need to be people who concern ourselves about how we are physically, so we put in place as a country a health care system that will help us with that, plus we encourage through the programs that we set in place, both provincially and municipally, opportunities to recreate. We all need to be concerned as well about the way that we develop and support ourselves emotionally. But more particularly today I think it's important that we also pay attention to the spiritual side of ourselves and that we nourish that, that we not in any way deny it and that we not in any way put our head in the sand about it.



Schools are used in our society today to educate and to help us come to terms with a whole lot of what sometimes can be difficult and problematic. So I think it's only correct that we should allow for some expression, for some participation, for some understanding and enjoyment of that particular reality and that in our schools and in our local areas we should get together and decide how it is we should do that.

**Mrs Julia Munro (Durham-York):** I welcome the opportunity to speak to this resolution this morning. I want to first of all comment on the ideas that have been presented so far this morning.

People have tended to concentrate on the very important opportunity that this resolution presents to create the atmosphere of tolerance and understanding that all of us appreciate and recognize as paramount to our democratic system. However, what I would like to do is take a couple of minutes to talk about another aspect that I think deserves attention.

It's really important to understand that students, particularly adolescents, are very curious and naturally interested in the development of value systems and understanding where these come from and the foundations upon which our own society is based and the foundations upon which other societies are based. I think it's really an important opportunity then for people to see this development in this context. It's one that I think has been overlooked, as the previous speaker mentioned, that we have not addressed the issue of spirituality in our education system. We have tended to shy away from it for the kinds of reasons other speakers have mentioned, but I think the fact that there is a tremendous sensitivity here and there is a need to develop this carefully doesn't mean we shouldn't accept the challenge that is suggested by this resolution.

I would also add that not only is this a natural time to address the students' curiosity and need to learn about the various ideas of spirituality, but I'd also suggest that it is at the base of so much that has been developed in music, in literature, in the arts and in history itself. To deny that this is in fact what has in so many cases been the *raison d'être* for the world's best music, art and literature is to leave out a part of the puzzle.

For that reason, I think we need to support this resolution and move forward in looking at where we should go to provide students with that opportunity.

1150

**Mrs Marion Boyd (London Centre):** This is a very difficult issue for someone like me who, like most of my colleagues, I think, in this House, has a great respect for the need for us in our communities to come to grips with the issue of spirituality. But I can assure you, having gone through the difficulties of the Elgin case that the member mentioned in his introduction, leaving this issue up to school boards is not the appropriate thing to do. It simply opens the door for a majority religion position in local school boards to deny right to all of those other groups.

If you read the materials on both sides of the question in Elgin county, you will understand that there is no ground out there around what could be considered to be multicultural spiritualism. People on both sides of the

question, from all different religions, object to the issue of another person's religion being used as an expression, and all that will happen is this issue will be up for debate in every school board in the province. The divisions among us which we are trying to heal will in fact become worse. That really concerns me. I'll be voting against the resolution.

**Mr David Tilson (Dufferin-Peel):** I will be in support of the resolution. I appreciate the experience the member for London Centre has had in her former capacity as Attorney General, but this whole issue is about choice, whether it be religious exercises, whether it be courses in religion.

The whole issue developed in the 1988 Court of Appeal decision. At that time it was made quite clear that religious exercises, particularly with respect to public elementary schools, would apply as long as one religion did not receive primacy.

All of us in this place represent many different areas, many different cultures, many different religions. Whether we like it or not — I quite like it, as a matter of fact — religion is part of our culture and we should have the ability to allow religious exercises if it's chosen. I've spoken to members on one of my school boards in Dufferin county, and there are some members who oppose it, there are some members who are in favour of it. If in their wisdom they decide that the people of that area wish that type of religious exercise or religious education, they have the ability to do that. They are in a better position to decide whether that should take place.

In this Legislature we start our days off each day when the Speaker has the Lord's Prayer and one other prayer. That is our choice. That could be changed by the rules of this place. The rules could be voted on to decide that that practice not take place, and I'm quite thankful that it hasn't. To date, that process does take place and for a few moments we reflect on our spirituality, and I quite frankly personally have no problem on that issue.

I commend the member for bringing this issue forward. I believe there is some confusion with respect to policies that have come forward from the Court of Appeal decision, notwithstanding the fact that there was a 1988 policy that said school boards did have the option, although some school boards, as I understand it — I think Brant county allows a noonhour Bible club to meet with respect to accommodating its rural community. In 1992, parents in Sault Ste Marie rejected the ban of religious instruction in public schools by sending their children to separate schools.

There is some uncertainty as to the policy of the provincial government. The provincial government has guidelines which ban religious education during the instructional day, which could be interpreted as including the noonhour.

I believe if anything, as the member for Dovercourt has raised, there is nothing wrong with discussing this topic and coming to some sort of consensus as to where we should be going. I happen to believe, with the member who introduced the resolution, that school boards are in a better position to make these types of decisions. If the school boards in their wisdom see that there should be religious exercises — at the commencement of the



day, at the end of the day, at noonhour — or if the school boards in their wisdom see fit that there should be religious courses at any time during the day, they should have that option. I believe the intent of the resolution is to clarify that, because there's no question, as I indicated, that religion is part of our culture, part of the Canadian culture. Therefore, I would support that resolution.

**The Acting Speaker:** The member for Peterborough, you have two minutes to reply.

**Mr Stewart:** First of all, I'd like to thank the members from both sides of the House who are going to support this resolution.

This resolution is a bill about — I could mention a number of words. It's a bill about understanding. It's a bill about tolerance. It's a bill about multifaith expression. It's a bill about freedom of speech in our democratic society. It's a bill about freedom of expression. It's a bill about the lifting of suppression in schools as far as spiritual reflection or expression is concerned.

There is nothing mandatory about this bill. There is nothing forcing anybody to do anything. What it does do is allow our students to participate in some type of spiritual reflection, if they so wish. I believe it is a resolution that is long overdue. Recently in Peterborough we had a phone-in show and probably better than 50% of the people who phoned in were students who want to be part of this type of spiritual reflection.

I believe this bill enhances the rights of students. It brings our students in public schools greater spiritual freedom to learn, understand, appreciate and participate for themselves, their colleagues and ultimately society, to prepare themselves for the future and be part of the future of this province.

#### ENVIRONMENTAL PROTECTION STATUTE LAW AMENDMENT ACT, 1995 LOI DE 1995 MODIFIANT DES LOIS SUR LA PROTECTION DE L'ENVIRONNEMENT

**The Acting Speaker (Mr Gilles E. Morin):** We will deal first with ballot item number 27, standing in the name of Mr Wildman. If any members are opposed to a vote on this ballot item, will they please rise?

Is it the pleasure of the House that the motion carry? Carried.

Pursuant to standing order 96(k), the bill is referred to the committee of the whole House.

**Interjections:** Resources development.

**The Acting Speaker:** Shall this bill be referred to the standing on resources development? All those in favour of the motion will please rise and remain standing. A majority of the House being in agreement with the request of the member, this bill stands referred to the standing committee on resources development.

#### SPIRITUAL EXPRESSION IN SCHOOLS

**The Acting Speaker (Mr Gilles E. Morin):** We will now deal with ballot item number 28, standing in the name of the member for Peterborough. If any members

are opposed to a vote on this ballot item, will they please rise?

Is it the pleasure of the House that the motion carry?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion, the ayes have it.

Call in the members; this will be a five-minute bell.

*The division bells rang from 1200 to 1205.*

**The Acting Speaker:** Mr Stewart has moved private member's notice of motion number 17.

All those in favour of the motion will please rise and remain standing.

#### Ayes

|                   |                     |                       |
|-------------------|---------------------|-----------------------|
| Agostino, Dominic | Ecker, Janet        | Preston, Peter        |
| Arnott, Ted       | Fisher, Barbara     | Rollins, E.J. Douglas |
| Baird, John R.    | Fox, Gary           | Ross, Lillian         |
| Barrett, Toby     | Galt, Doug          | Shea, Derwyn          |
| Boushy, Dave      | Guzzo, Garry J.     | Silipo, Tony          |
| Brown, Jim        | Klees, Frank        | Stewart, R. Gary      |
| Carroll, Jack     | Martin, Tony        | Tilson, David         |
| Chudleigh, Ted    | Munro, Julia        | Wettlaufer, Wayne     |
| Danford, Harry    | Ouellette, Jerry J. | Wood, Bob             |
| Doyle, Ed         | Pettit, Trevor      |                       |

**The Acting Speaker:** All those opposed to the motion will please rise and remain standing.

#### Nays

|                       |                      |                 |
|-----------------------|----------------------|-----------------|
| Bisson, Gilles        | Cooke, David S.      | Laughren, Floyd |
| Boyd, Marion          | Curling, Alvin       | Martel, Shelley |
| Christopherson, David | Grandmaitre, Bernard |                 |
| Churley, Marilyn      | Lankin, Frances      |                 |

**Clerk of the House (Mr Claude L. DesRosiers):** The ayes are 29; the nays are 10.

**The Acting Speaker:** I declare the motion carried.

All matters relating to private members' business having been completed, I will now leave the chair. The House will resume at 1:30 this afternoon.

*The House recessed from 1207 to 1330.*

## MEMBERS' STATEMENTS

### NATIONAL MENTAL HEALTH WEEK

**Mrs Elinor Caplan (Oriole):** This is National Mental Health Week. A number of events are planned throughout the week to raise awareness of mental health.

Over two million Ontarians suffer with mental illness. The impact of mental illness affects not only the one third of Ontarians directly touched by the problem but our society as a whole. It is estimated that over 1.8 million workdays are lost every month by people who suffer from a mental illness. This loss of productivity affects Ontario's competitiveness.

Ontario is fortunate to have a strong network of 354 local community mental health programs to offer services to people suffering from a mental illness and support to their families. Our community agencies serve over 34,000 people every day. Unfortunately, a 5% funding cut announced by the Mike Harris government will have a



detrimental effect on the ability of our community agencies to provide care many so desperately need.

In a recent Environics poll, nine out of 10 people believe Ontario should increase or maintain spending on mental health programs. When reminded that taxes or the deficit could rise as a result, people still supported maintaining or increasing spending on community mental health.

The people of Ontario are aware of the seriousness of mental health, and I urge the government to listen to 90% of Ontarians that our mental health support services are important and we do not want to see them cut any further. Mental illness does not leave a segment of Ontario society untouched.

### TRANSITIONS PROGRAM

**Mrs Marion Boyd (London Centre):** Because there have been so many different cuts made because of the Tory business plan, many individual programs that have offered a great deal of support and help to Ontarians who want to get back to work to become self-sufficient have just been lost in the flurry of different closures.

I want to talk about one today, and that is the Transitions program, which was an Ontario Training and Adjustment Board program geared to helping those over 45 who lost their jobs either during a transition or a downsizing. That program assisted 14,000 laid-off older workers, 50% of whom were able to find permanent employment within three months.

The decision to wind down that program seems to have happened very quietly. Even the participants did not know. The decision was made on April 11 and the rules went into effect on May 1. Those rules mean that no new applications will be accepted after May 1, that the course training credit has been slashed to \$3,000 from \$4,500, and that all training has to be completed by December 31.

This is a very serious issue for older workers. The government says it is looking at other programs to replace this. They need to look quickly, because older workers are losing their jobs every day.

### CELEBRATE YOUR WATERSHED WEEK

**Mr John L. Parker (York East):** I draw the attention of this House to Celebrate Your Watershed Week in Metro Toronto region. Many events are being held throughout this week to help promote an appreciation of the vast stretches of natural land that exist within our urban area inside and around Metro Toronto.

Accompanied by Margaret Casey of Friends of the Don East York, I was among the more than 160 canoeists who came to "Paddle the Don" last Sunday as part of the kickoff to the week's events. Our trip began at Serena Gundy Park in the riding of Don Mills. From there we paddled the length of the lower Don through the great riding of York East and down through the fine ridings of Riverdale and St George-St David to the mouth of the river. We then crossed the Toronto waterfront to York Quay, emerging a full four hours after our start.

I have paddled many lakes and rivers of this province and explored much of Ontario's wilderness. Although last Sunday's trip took place entirely within an urbanized

area, there were stretches that seemed just as remote as any northern route I have ever known. This is a credit to the dedicated efforts of the hundreds of volunteers and professionals who have served the cause of conservation in the Metro region over the years.

I am pleased to note that in this, the third year of the Paddle the Don event, participation more than doubled last year's turnout of 75 canoes. Let's hope that next year we can increase participation further. In the meantime, I urge residents throughout the Metro region to take this occasion to get out and explore and take an interest in helping to preserve the natural environment within our community.

### ONTARIO FRIENDS OF SCHIZOPHRENICS

**Mr Michael Gravelle (Port Arthur):** I would like to tell this House about a truly dedicated group in my riding. The Thunder Bay arm of the Ontario Friends of Schizophrenics is a volunteer, non-profit, self-help group comprised primarily of families who are striving to increase public awareness of schizophrenia, provide support for families and raise money for research.

Given its prevalence and the needs it creates, schizophrenia is one of the most devastating of mental illnesses. The risk for developing schizophrenia at some time during one's life is one in 100. At any particular point in time, approximately one out of every 225 people has the disorder. That means that approximately 48,000 people in Ontario had schizophrenia in 1994.

The majority of those who develop the disease do so in their late teens or early twenties and are afflicted by it for the rest of their lives. A shocking one in 10 commits suicide. The Friends of Schizophrenics estimate that hospitalization, outpatient treatment, medication, community services, family benefits and productivity losses amount to over \$2.5 billion a year.

Despite the breadth, severity and cost of this disorder, research in this area is vastly underfunded and the province's current mental health system is unable to meet the needs of people with schizophrenia. Further, Friends of Schizophrenics are concerned that changes in the Ministry of Health will result in a further erosion of already inadequate services.

I would like to applaud the Friends of Schizophrenics, and especially the Thunder Bay chapter and president Helen Schumacher, for their sensitive and dedicated service.

### EDUCATION FINANCING

**Mr Gilles Pouliot (Lake Nipigon):** Because of drastic cuts in education funding, students in my riding of Lake Nipigon and in other northern Ontario communities are being hit harder than anywhere else in the province of Ontario.

Because of these cuts, one of my constituents, a 13-year-old Franco-Ontarian student with a learning disability who currently attends the Centre Jules-Léger in Ottawa, a centre of excellence indeed — this 13-year-old challenged person will no longer be able to live in residence on the weekend because it has been decreed, it's been decided by the Minister of Education, that



starting in September the residence will close on weekends. So every weekend this 13-year-old young adult will have to commute 17 hours, return, from Ottawa to the township of Geraldton in the riding of Lake Nipigon.

The Centre Jules-Léger is the only school in Ontario that serves Franco-Ontarian children with severe learning disabilities: deafness, blindness or deafness and blindness combined. Students who live in Ottawa return home — it's quite natural — over the weekend. But students like my constituent who live farther stay in school residence. They go home maybe once or twice a month.

### CHILDREN'S SERVICES

**Mrs Lillian Ross (Hamilton West):** As Ontarians, we all have an interest in ensuring that young children start life in a healthy and secure environment. We all have a stake in their wellbeing. The Ontario budget reflects this government's commitment to children, as the following initiatives demonstrate.

Five million dollars has been earmarked this year in startup funding for the formation of a partnership with the Canadian Living Foundation for Families in order to help parents and communities set up and expand local nutrition programs for elementary school children. This fulfils another promise from the Common Sense Revolution. It is also the realization of initiatives begun by the Premier himself on behalf of Ontario's children while he was still a member of the opposition.

Services to meet the needs of preschool children with speech and language disorders will receive 10 million new dollars this year, together with another \$10 million to be added later.

Child care funding is being enhanced with an additional \$200 million above current levels. Overall expansion of the province's support for child care will rise to \$600 million.

I am proud to say that this level of support for child care by this government is the highest ever in the history of Ontario. A sole-support parent with one child on an employment income of \$30,000 and with \$5,000 in child care expenses will save 35.1% or —

**The Speaker (Hon Allan K. McLean):** The member's time has expired.

1340

### ROAD MAINTENANCE

**Mrs Sandra Pupatello (Windsor-Sandwich):** News reports yesterday indicated that the Ontario transportation minister will be out personally filling potholes around Ontario if the public doesn't find that road maintenance is up to snuff. Well, guess what? Ontario road maintenance is not up to snuff.

Can you imagine Minister Palladini donning his Gucci shoes, shovel in hand, patting down hot tar? A very funny sight that would be indeed. It's also very inefficient. Here's a minister who is making about \$100,000 a year, who should have some important decisions to make in managing some very difficult issues ahead, and he wants to get out in the sunshine and fill potholes with hot tar.

We've heard from people across Ontario. The Hawkeswood family from Windsor, the Baverstock family from Timmins, everyone wants proper road maintenance.

Minister, we don't think you're building a better tomorrow or spending taxpayers' money wisely.

### ONTARIO LOTTERY CORP

**Mr Peter Kormos (Welland-Thorold):** As troubling as the government's budget announcement about the development of a regime of video lottery terminals, slot machines, across this province was the bothersomeness of the fact that the Ontario Lottery Corp is going to oversee, regulate and control the placement of these VLTs.

The Ontario Lottery Corp has become a corrupt institution in this province. I'm not speaking about cash register integrity, there's no question about it, but this is the third successive government to fail to take in hand an Ontario Lottery Corp that has built a fiefdom around gambling in Ontario at the expense of, among others, small business.

Witness the case of Christopher Bahnuk, who worked for AT&T as a technician and was fired at the insistence of the Ontario Lottery Corp when he discovered faults in the integrity of the lottery distribution system through lottery outlets here in Ontario.

Witness the case of Brant Warner, a small business person whose lottery ticket licence was pulled by the Ontario Lottery Corp so that big chain stores adjacent to him could have lottery terminals at the expense of a true small business person who is trying to support himself, provide a little bit of employment and engage in free enterprise.

The Ontario Lottery Corp requires a thorough investigation, and it's the last body that we want to see supervising this government's organized gambling.

### BUDGET

**Mr Douglas B. Ford (Etobicoke-Humber):** Two days ago today the Honourable Ernie Eves, Minister of Finance, delivered this government's first budget, a good-news budget that meets this government's commitment to provide strong incentives for private sector investment and job creation in Ontario.

This budget will help achieve our goal of an Ontario with more jobs, a healthy economy, lower taxes and a balanced budget. It is a jobs, hope, growth and opportunity budget for the people of Ontario, and of course the tax cut that was promised by this government is now a reality and will help to spur our economy by consumer savings, personal debt reduction and consumer spending.

Two of my constituents, who were very pleased that they will receive a tax cut as promised by this government, have already informed me that they will use the money they receive from their tax payment for a new roof and repairs to the exterior of their home.

I would also like to recognize the tremendous contribution to our province by the same two constituents. These two individuals have decided to take advantage of the new Ontario opportunities fund announced by the Minister of Finance. They were so impressed with this government's responsible financial initiatives to get this great



province back on track that they decided to show great leadership and belief in the future by being among the first Ontarians to contribute to the fund.

I am pleased, on behalf of my two constituents, Diane Malott and Chris Zielinski of Etobicoke-Humber, to present a cheque for \$100 to the Minister of Finance to help pay down our province's deficit.

#### VISITORS

**The Speaker (Hon Allan K. McLean):** I would like to inform the members of the Legislative Assembly that we have in the Speaker's gallery today Mr Lévis Brien and Mr Russell Copeman, members of the National Assembly of the province of Quebec. Please join me in welcoming our guests.

#### INTEGRITY COMMISSIONER

**The Speaker (Hon Allan K. McLean):** I beg to inform the House that I've laid upon the table a response from the Honourable Gregory Evans, the Integrity Commissioner, to the request by the member for Windsor-Riverside and the member for Fort William on whether the member for Nipissing had contravened the Members' Integrity Act or Ontario parliamentary convention.

#### ORAL QUESTIONS

##### FAMILY SUPPORT OFFICES

**Mrs Lyn McLeod (Leader of the Opposition):** My question is for the Chairman of Management Board. Minister, as you will know, we have for some time now been raising concerns about the potential closure of all the regional family support plan offices. Your colleague the Attorney General, when we've raised this issue in the past, has said there has been no decision made yet.

I have minutes of a meeting that was held on April 25 between the Deputy Attorney General and the staff of the regional offices of the family support plan. The minutes make it very clear that the business plan relating to the family support offices was referred to your ministry, to the Management Board, for review and further consideration. We also understand from these minutes that a decision on whether to close the regional offices would be made following the presentation of the May budget. We have learned that regional managers have been called to Toronto for a meeting with the assistant deputy minister tomorrow.

Minister, I would ask you, because clearly you're aware of this with the issue having been referred to Management Board, what is the status of the decision? Is it your intention to shut down all the regional offices of the family support plan?

**Hon David Johnson (Chair of the Management Board of Cabinet):** I have no announcement to make in that regard today. We did indicate during the process whereby I announced reductions to the spending of the province of Ontario that the business plans would be coming forward after the budget had been tabled. I expect that the estimates will be tabled, the business plans will

come forward. There are meetings taking place, as the Leader of the Opposition has pointed out, and as a result of various meetings, decisions will be made and they will be announced at the appropriate time.

**Mrs McLeod:** I say to the minister that the minutes of this meeting of the Deputy Attorney General with regional staff make it pretty clear that the decision has indeed been made and what the decision is. According to these minutes, the deputy told the staff that he is looking at having one point of contact for clients. That's about as clear a statement as can be made that you are planning to centralize all these services.

The deputy told the staff at this meeting that their proposals, the proposals of regional staff, had been given consideration. In fact, he said the only way in which the staff proposals differed from the management proposal was that the staff had found a way to keep the regional offices open but management recommended the regional offices be closed. I don't think it gets much clearer than that, Minister, and the rumours are already rampant throughout the regional offices that the pink slips are ready to go.

Will you just confirm today what is going to happen? Will you confirm that the regional offices, those offices that are closest to the families and to the children who need support, are about to be closed down?

**Hon David Johnson:** I will support that the government wants to make a better system than the one that's in place today, and the current system in our view is not working as well as it should for the children of Ontario, so we intend to implement changes to improve the system. But I will confirm as well today that no decision on the closing of the regional offices has been made. Obviously there is a consultative process that's taking place. We do want to and need to improve the system, but no decision has been made to close the regional offices as of this point today.

**Mrs McLeod:** Minister, where does it say, in the briefing note you just read about finding technical new ways of getting more efficient, about the importance of the regional offices in the enforcement of the family support plan? Where does it say how important these regional offices are to the families and to the children who depend on getting that kind of support? Where does it say in that briefing note that the regional offices can demonstrate the effectiveness in ensuring that there is compliance?

Let me give you one example: Windsor. The compliance rate in September 1995, the Windsor office, was 64%, and that is up 20% since February 1992. That's effectiveness. That means that by working with parents the Windsor office has been able to make sure that support payments get to children and that fewer deadbeat dads get away with ignoring the needs of their children. 1350

If I give you the example of the Thunder Bay office, our goal here surely is effectiveness. The staff in this office serve over 3,000 clients, and their clients go from the Manitoba border halfway to Sault Ste Marie, a huge distance. I'd like you to tell me how that can possibly be done effectively working out of a phone line in Toronto. Sometimes this involves personal meetings. Sometimes it



involves being on the site to work with employers in the workplaces. It is proving to be effective.

It's clear from these meetings that effective service to families and children was not the goal. It's clear that the goal was to get the province some cash now. This is all about the tax cut. It is all about the budget. It is all about finding dollars. You don't care what happens to the service to families and children as a result.

Why are you ignoring the obvious fact that the regional offices are a critical and an effective part of the family support plan? Why do you insist on closing these offices down, despite the fact that families and children will be worse off as a result?

**Hon David Johnson:** I will reiterate that as of this point no decision has been made to close the regional offices. But I'm glad to see that the Leader of the Opposition shares the concern of this government for the children. Indeed, she shares the concern this government has for the compliance rate. We feel the compliance rate should be made better, and that's why this government is working with mothers against fathers in arrears, for example, why this government is working with families against deadbeats. This government thinks that the compliance rate, the payment rate, should be increased. That's what this issue is all about, and this government will continue to work to increase the compliance rate, to make sure the money gets into the hands of those who need it. I'm glad to see that in that fight we will have the support of the official opposition.

## ROAD MAINTENANCE

**Mr Mike Colle (Oakwood):** I have a question for the Minister of Transportation. In the last couple of days you've been bragging about the fact you're spending more than ever before on roads, but your budget documents don't substantiate that. In your budget documents, your ministry is cutting \$542 million from capital over the last two years, you're cutting \$156 million from operating, so if you're cutting about \$700 million, how could you be saying you're spending more?

**Hon Al Palladini (Minister of Transportation):** I certainly would like to correct the member's allegations that we are cutting funds and yet we're going to be spending more. We are going to be spending more on the infrastructure. There are ways, and this government has chosen to take those ways, in cutting expenses off administration and other things that are a major part of the expenditure and putting the money where it's needed the most. Yes, we are going to be spending more money this year to repair our infrastructure than we have in the last six, and the numbers will prove that.

**Mr Colle:** The potholes prove it. I think the condition of the roads right across this province proves that you're not giving us the full figures. If you drive on Highway 401, if you drive on Highway 69, if you drive anywhere in Ontario, you know that your cutbacks can't be hidden any more.

You have even offered to fix the potholes yourself. Are you going to now give us a 1-800 pothole number? Are you going to give out your cell phone number so people can call you? How can these thousands of people across Ontario get in touch with you? What's the number?

**Hon Mr Palladini:** I am just amazed at how the member is addressing the problem, as if this government is completely responsible for the condition of our highways. The lack of funding and the lack of attention was clear. The last two governments did not put money back into the infrastructure when they should have. If they had done that, we would not have the conditions we've got today or have to spend the money we have to spend today.

It's been a severe winter. We've gone through a strike. The roads are still frozen; there's still thaw in the ground. It's not a position where we could address some of those potholes the member's referring to. But I want to assure the member that yes, we are going to address the problem and we are going to rectify the problem. I'm going to say it in this House: If our staff doesn't fix a pothole, I will personally go out there and fix it myself.

**Mr Colle:** The minister should give us his personal phone number so people can phone him. We'd like to get that number for the public so they can call you.

How can you keep blaming the weather? How can you blame previous governments when in the budget document you cut \$542 million in capital the last two years? You're spending even less this year in operating than you spent last year. If you're cutting, it's your fault, because you still are putting more potholes in our roads by cutting. Why are you blaming others when you've cut one third of the budget?

**Hon Mr Palladini:** It is very clear. In the past six years the government of Ontario has put on the ground, into our highway infrastructure, an average of \$245 million. This government is going to be putting in excess of \$350 million this year. Like I said to the member previously, we are looking for cuts in areas that are not going to affect our infrastructure. We are going to invest money in our infrastructure because we know how important it is for Ontario's economic vitality, and it will be done.

## JOB CREATION

**Mr Tony Silipo (Dovercourt):** I have a question to the Minister of Finance. As we pointed out yesterday, your budget has abandoned the Common Sense Revolution's job creation promise. You have been quick to take credit for jobs that have been created in this province, so presumably you will also be prepared to take responsibility for the jobs that aren't being created. I want to share with you some real numbers, numbers that tell the story about the level of unemployment in this province.

First of all, your own numbers are projecting a higher unemployment rate in 1996 than in 1995 and, even more significantly, you're projecting 515,000 people unemployed in 1998. That's a 2.8% higher figure than when you took office last year. With those real numbers in mind, how can you tell the people who are looking for jobs in Ontario that this kind of performance is good enough?

**Hon Ernie L. Eves (Deputy Premier, Minister of Finance and Government House Leader):** The honourable member will know, if he's done his homework with respect to these numbers, that the number of people



seeking employment during the years he talks about is going to go up by approximately 84,000 people during that period. I'm sure he's incorporated that into the numbers he's using here today because I know he'd want to be objective about the numbers he's presenting to the Legislature and to the people of Ontario.

The fact remains that the Ontario economy on its own, before the tax cut, has created 75,000 net jobs in the last seven months alone.

**Mr David S. Cooke (Windsor-Riverside):** That leaves 650,000 to go.

**Mr Silipo:** As some of my colleagues have said, those people are called the unemployed, and they're the ones the minister should be concerned about.

I want to focus on an area that I know is of particular interest to all members and I'm sure the minister as well, and that is what this all means for young people. The latest statistics show us that there's an unemployment rate of 16.1% for youths from 15 to 24 years of age. According to statistics from the month of March, 140,000 youths can't find work, an increase of 5.2% from the same month last year.

When we look around and see the kind of cynical attitude young people have, you can understand why they're quite cynical when there's that high level of unemployment. What you're telling young people in Ontario, aside from some efforts you've taken with respect to summer job creation, is that the only solution you've got is to put a tax cut in the pockets of those who already have a job. You're not giving young people hope in terms of any job creation incentives that are going to apply to them.

1400

What real action have you taken or are you going to take to create jobs for young people, as well as the rest of Ontarians, but particularly for young people in Ontario?

**Hon Mr Eves:** The best future we can give the young people in the province is to provide the economy of Ontario and the people of Ontario with an economic climate where people will want to remain, will want to expand their businesses, will want to locate in Ontario.

I know you may find that difficult to accept, and I will accept your difference in philosophy in that area, if you will. However, we have seen what the opposite tack has brought us — quite frankly, not much: not a single new net job in the previous six years up to our assuming office on June 26 of last year. We know what that philosophy is about: creating make-work projects. And often when the government's funding of make-work projects ends, unfortunately, so does the job. We are making every effort to provide an economic climate here in Ontario where there are lasting, meaningful jobs for young people in the province.

**Mr Tony Martin (Sault Ste Marie):** Minister, your words ring especially hollow in Sault Ste Marie. The actions of your government have already cost the people of Sault Ste Marie over 500 jobs, and this doesn't include the impact of the announcement that was made by your minister on April 11.

Last week, I asked the Minister of Economic Development, Trade and Tourism what he was going to do about

the job loss in Sault Ste Marie, and he talked about some jobs he was creating in St Thomas. To suggest for a second that the unemployed of northern Ontario should move en masse to St Thomas just doesn't cut it. Can I go back to the people of my community of Sault Ste Marie, of northern Ontario, and tell them that this government is going to live up to its promise to do something now about the job loss and to live up to its promise to create jobs in this province?

**Hon Mr Eves:** As I just said to his colleague in response to a previous question, the best sort of job creation program that this government, or any government, in my opinion, could possibly provide to the people of Ontario are five million taxpayers of Ontario out there spending money as they see fit, not as a government in Queen's Park sees fit. That is the future of the province of Ontario and that will create lasting jobs.

Even before the tax cut, the private sector has created 90,000 jobs in the province of Ontario in the last nine months. That's almost four jobs created for every one lost in the public sector. For those 500 people you're talking about, and I do appreciate your concern about those people, there were another 2,000 jobs created by the private sector during the same period.

## MUNICIPAL FINANCES

**Mr Bud Wildman (Algoma):** I have another question to the Minister of Finance. I draw your attention to the so-called Common Sense Revolution document, page 5, upon which your government program, your budget, has been developed. It says there: "Historically, municipalities have responded to provincial funding limits by simply increasing local property taxes. There may be numerous levels of government in this province, but there is only one level of taxpayer — you."

Then in heavy print it says, "We will work closely with municipalities to ensure that any actions we take will not result in increases to local property taxes."

That's on page 5 of the Common Sense Revolution. Does the minister stand by those words and that commitment?

**Hon Ernie L. Eves (Deputy Premier, Minister of Finance and Government House Leader):** The leader of the third party will know that local representatives are elected to perform certain responsibilities and functions to their constituents, just as he and I are in the provincial Legislature to provide certain responsibilities to our constituents.

**Mr David S. Cooke (Windsor-Riverside):** You're sloughing it off on them, Ernie. You passed the buck to them, and you know it.

**Hon Mr Eves:** With respect to municipalities generally in the province, what we have asked and what we have passed on to the municipalities, I say to the member for Windsor-Riverside, is a reduction of 2% to 3% of their total expenditures for this fiscal year. Is the third party telling me that municipalities as a whole in the province of Ontario cannot accommodate a 2% or 3% reduction in their total expenditures without dramatically raising taxation? Is that what he's saying?



**Mr Wildman:** The minister today, and yesterday, is not following through with the commitment on page 5. As a matter of fact, he's complaining that municipalities may continue what the document said they've done historically. The minister is saying that the 2% to 3% reduction should be easily handled and that the municipalities can do this without raising local property taxes. But the fact is that they are raising local property taxes.

These are decisions that are made locally. What is the government doing to live by the commitment in the Common Sense Revolution which says, "We will work closely with municipalities to ensure that any actions we take will not result in increases to local property taxes"? What are you doing in terms of working closely with municipalities and with school boards to ensure that they're not raising local property taxes?

**Hon Mr Eves:** What we are doing is providing municipalities with a limited reduction of 2% or 3%. If they decide that they have to raise taxes or user fees dramatically to accommodate a 2% or 3% reduction —

**Ms Frances Lankin (Beaches-Woodbine):** That's not your promise.

**Hon Mr Eves:** I say to the member for Beaches-Woodbine, the would-be leader of the third party, she must know that municipal leaders and representatives have jurisdiction over their own actions. They pass their own budgets, believe it or not, and they will be responsible for their own actions in November 1997.

Not all municipalities in the province have passed budgets for the upcoming year; in fact, a lot of them are not finalized. But, for example, the following regions have come up with absolutely zero mill rate increases for this year: Halton, York, Peel, Muskoka. They seem to be able to cope, and other municipalities would do well to follow their lead.

**Mr Wildman:** What the minister is saying is that they aren't doing anything about working closely with municipalities to ensure they don't raise property taxes.

The 2% or 3% he continually mentions ignores the fact that just on the education side there's a 16% cut in the general legislative grants. It's resulted in significant increases. The minister raised some examples; let's look at some examples.

In Sudbury, it was reported yesterday in the local newspaper that separate school taxpayers will pay an extra \$77 to help the board make up a \$10-million shortfall in provincial funding. Also, the Waterloo board of education has authorized a tax increase, and the chair of its finance committee attributed it directly as a result of cuts from the provincial government. We know other municipalities are increasing property taxes. I have a whole list here of school boards across the province that have increased property taxes anywhere from 1.5% to 5.9%.

You're not doing anything about this. You're simply saying that it's up to them, it's always been up to them. As you said, historically, whenever they lose provincial grants, they raise it locally. That's what's happening. The local property taxpayer is now having to pay those taxes and it's eating up whatever you're giving them in an income tax break. Why won't you live up to your commitment to do something about this?

**Hon Mr Eves:** To the leader of the third party, I'd like to talk about his government's record from 1991 to 1995. Here are some examples — I know he won't like this; I can hear the screaming already — of education property tax increases while you were in government for four years: city of Toronto, up 15.7%; city of Scarborough, up 15.7%; city of York, up 16.1%; city of Sudbury, up 4%; city of Windsor, up 17.3%; city of Thunder Bay, up 14.6%.

Transit user fees: in the Metropolitan Toronto region during your tenure in office, up 28.5%; in the city of Sudbury, up 21.1%; in the city of Kingston, up 23.5% — user fees during your period in office, I say to the leader of the third party — in the city of Toronto, user fees went up 18.3%; in Etobicoke, 18.9%; in Scarborough, 18.6%; in North York, 20.1%; in the city of York, 18.6%; in the borough of East York, 18.4%. You have the gall and the hypocrisy to stand here and talk about increase in user fees and property taxes. During your tenure in government —

*Interjections.*

**The Speaker (Hon Allan K. McLean):** I wonder if the honourable minister would withdraw the word "hypocrisy." Would the honourable member withdraw the word "hypocrisy"?

**Hon Mr Eves:** I withdraw that word, Mr Speaker.

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## GOVERNMENT ADVERTISING

**Mr James J. Bradley (St Catharines):** I'd like to give the Minister of Finance time to calm down before I ask my question of him.

The minister has quite honestly — there are differences in society, differences on whether the government is right or wrong on this, but the government has decided that it's going to embark upon a program of very deep cuts to services in the province, so junior kindergarten will disappear in some places, some assistance to women's shelters will be diminished, funding for hospital care in the hospital itself may go down in some places, and children's aid funding, and seniors will pay some user fees. We understand what your policy is and I fully understand. I don't agree with it, but I understand what your thrust has been.

As well, Minister, when you were in opposition, you and your good friend the Premier made some excellent speeches and directed some excellent questions to previous governments about the issue of government advertising. I know the classic response is to get up and read what other governments did and so on and say how much better you are, but I knew you were going to change things. I was really confident that you would actually change things over there and you wouldn't embark upon an advertising blitz. So I ask you, sir, because the Speaker wants the question, how can you possibly justify spending over half a million dollars on self-serving political advertising such as appeared in the paper today and appeared previous to this, when your policy was to oppose this kind of advertising when you were in opposition and at a time when you're cutting so many services in the province?



**Hon Ernie L. Eves (Deputy Premier, Minister of Finance and Government House Leader):** The advertising that is being done with respect to the budget, he will be happy to know, is a total cost of \$280,000. That is less than the previous government spent with respect to —

*Interjection.*

**Hon Mr Eves:** No. It's \$280,000, which is less than the two previous budget advertising campaigns by our predecessors. It is a modest advertising budget. It's providing information to the people of Ontario about their tax cuts. I know he may be interested to know that yesterday alone our office received over 550 phone calls with inquiries about the land transfer tax aspect of the budget alone.

**Mr Bradley:** I understand that. When you advertised, for instance, that you were going to have a measles vaccine, I thought it was very legitimate that you do that program. It was a good program and I think we complimented that.

But what I well recall, being in this House with you, and you sat just a couple of seats down from me, you used to get up and point angrily at the government and ask why they would be doing any advertising.

Any kind of information that you needed to put forward to the people of Ontario surely was on the front pages of the newspapers, on radio and on television. Why, when the entire thrust of your program has been to restrain and when you have been so adamant against any kind of advertising of this kind in the past, would you now justify spending \$630,000? I'll tell you how that is. That's the \$280,000 you're spending post-budget and the \$350,000 you spent two weeks ago to talk about your budget cuts. How can you justify that? Don't you find that inconsistent with your whole theme and message?

**Hon Mr Eves:** Our government is spending far less dollars in advertising than either their administration or your administration on an annualized basis, and we will continue to show restraint in that area.

#### TRANSFER PAYMENTS TO MUNICIPALITIES

**Mr Bud Wildman (Algoma):** I have a question for the Minister of Municipal Affairs and Housing. Yesterday the Minister of Finance stated that the tax cut announced in the budget has nothing to do with municipal user fees or property tax hikes that are happening across the province.

In November the government announced a 43% cut in municipal transfers over two years. Half of that amount was announced in the budget, so we're going to have significant cuts again next year. Do you still deny that the tax cut in the budget will cost more and more people municipal tax increases and user fees at the local level and that they are directly related to one another — they aren't two separate things — that the cuts in your transfer payments that we've seen this year and that we'll see more of next year have encouraged local municipalities to raise user fees and property taxes?

**Hon Al Leach (Minister of Municipal Affairs and Housing):** To the leader of the third party, municipal tax increases this year are probably lower than in any year in the last decade. My municipality is zero, Mississauga is

zero, Scarborough is zero, Sudbury region is zero, Halton region is zero and York region is zero, so if there are municipalities increasing their taxes and if I were their resident, I'd be thinking about that in November 1997.

**Mr Wildman:** The minister can't play Pontius Pilate and just wash his hands of all this. Yesterday the chair of the Sudbury region, Tom Davies, stated when he was commenting on the provincial tax cut, "Of course you're going to pay for it at the local level." Yesterday a Metro Toronto official was quoted as saying: "All of the easy cuts have been made. Next year it's going to get harder and harder. In fact, Metro anticipates a budget shortfall of \$133 million next year."

These problems that are being faced at the municipal level are a direct result of your budget and your tax cut. How can you stand there and say it's up to the local taxpayers to make a decision next November, when you made a commitment in your Common Sense Revolution document to work closely with the municipalities to avoid the very thing that's happening at the local level?

**Hon Mr Leach:** We are working very closely with municipalities. That's why most of them are coming in with zero tax increases. Certainly there are going to be additional reductions and expenditures. We have to get rid of that \$9-billion deficit somehow, and the municipalities have told us that they're quite prepared to work with us to do that.

Metropolitan Toronto is going to experience some drastic reductions. They're prepared to work with us and are confident that even next year they'll come in with zero tax increases.

#### WORKERS' COMPENSATION

**Mr John O'Toole (Durham East):** My question is to the minister without portfolio, Workers' Compensation Board. A coalition of employer groups today released an economic impact study which predicts that if all reforms to Ontario's workers' compensation system pledged by Mike Harris during the election campaign are implemented, they will have a very strong stimulative effect upon the economy. Can the minister tell us how these jobs will be created and what the projected revenues would be?

**Hon Cameron Jackson (Minister without Portfolio [Workers' Compensation Board]):** I'd like to thank the member for the question. The reference in the question is to a report that was released today by the Employers' Council on Workers' Compensation through the accounting firm of McGraw-Hill. They've run some numbers out to demonstrate that with the very positive news included in Tuesday's budget from the Treasurer about the average assessment rate reduction and other reforms currently being considered by this government, there will be positive job stimulus in the province of Ontario. They quote a figure of 33,000 new jobs, and they talk about injecting revenue into the economy, through the growth in jobs, of over \$200 million. This is positive news. It's the direction our government is going in and it's a commitment we've made, very clearly, that reduced costs will translate into growth in jobs for the citizens of Ontario.



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**Mr O'Toole:** Thank you for the answer, Minister. I was wondering if you could tell the House today when we can look forward to the timing of these reforms being implemented.

**Hon Mr Jackson:** I would like to indicate to the members of the House that the budget also contains some positive news for certain specific employers. For example, our Treasurer removed the tax on call centres. This is a very important thing to Ontario because we're the last province that still charges this tax, yet if we want to attract companies from around the world to locate in Ontario to build call centres and increase employment, our WCB assessment rates are some of the highest in the country, and this is now the basis on which there is competition.

I also want to assure members of the House that there are many things in the current study that are very positive for injured workers. Not only does rate relief increase an employer's ability to hire new jobs, but it also means that an employer then can invest in return-to-work initiatives and that positions can be found for injured workers within employment when there's a climate and atmosphere of expanding employment in Ontario. We believe this is very positive news as well for injured workers.

#### OVERTIME PAYMENTS

**Mr Dominic Agostino (Hamilton East):** My question is to the Minister of Health. Minister, today the Hamilton Spectator reported, "During the five-week OPSEU strike, 19 managers at the Hamilton Psychiatric Hospital were paid a total of \$270,000 in overtime." The average overtime payment during the five-week period per manager was \$14,000. These are individuals who make in the range of \$50,000 to \$60,000 a year before your bonus, your gift of overtime was given to them. What has occurred here was clearly incompetence on your part to manage the facilities during the OPSEU strike, another example of incompetence in running the health care system. This is one facility, as a matter of fact, that the health care task force has recommended for closure and moving somewhere else, this particular facility. This is a facility that will see front-line staff laid off.

Can you explain to the House how you can justify \$270,000 in overtime payments to 19 people during a five-week period when you're laying off front-line staff and hurting the health care system in Hamilton?

**Hon Jim Wilson (Minister of Health):** That question is best answered by our very capable Chairman of Management Board.

**Hon David Johnson (Chair of the Management Board of Cabinet):** To the member for Hamilton East, during the course of the strike the staffing at the Hamilton Psychiatric Hospital was about one third of its normal level and there was a great deal of concern expressed by many individuals. I received a note, for example, from the Clarke Institute of Psychiatry, I received a note from the Canadian Mental Health Association expressing concern with regard to the staffing level. I received a note from the acting chair of the provincial psychiatric hospital chairs group expressing concern that we have as much staffing as possible, as could possibly

be available, indicating, "A very serious situation exists in Ontario's psychiatric hospitals as a result of the OPSEU strike." We were in a position of having to put in place all the existing staff and overtime possible to give service to the most vulnerable.

I also received a note from a resident who indicated that former Premier Bob Rae should not have given the psychiatric workers the right to strike. That letter was forwarded to me by the member for Oriole, Elinor Caplan. A colleague of the member for Hamilton East forwarded that letter to me expressing concern with regard to the staffing. That's why we had the overtime. That's why it was essential that staff be there to the highest degree possible.

**Mr Agostino:** The 19 managers were basically on call in case there was a problem. That is the way it normally works at that facility. They're not there 24 hours a day. There were no problems with the management staff getting through the picket lines. There were no problems with people being held up there.

The OPSEU agreement for the essential services that you covered would have covered the OPSEU strike at the HPH enough, would have given the protection they needed. Frankly, if you talk to people there, these 19 individuals who normally would have gone home at the end of the day and would have been called in an emergency situation were still available. You chose to have them there 24 hours a day, to pay them while they were sleeping, to pay them to sit and do administrative work. They were not doing front-line work. They were at a command post, as it's been reported, in case a problem occurred. They were on call. They could have been called any time. They would have got through the picket lines.

You took the easy way out. You decided you were going to lay off front-line staff across this province, but you were going to give managers in this facility, in Midland and across this province, big fat paycheques during the strike to reward them for being so loyal to you. That is wrong, and your answer is not acceptable.

*Interjections.*

**Mr Agostino:** The Minister of Health seems interested now in answering the question. I wish you would have taken the opportunity when I asked you the question instead of passing the buck —

**The Speaker (Hon Allan K. McLean):** Put your question, please.

**Mr Agostino:** Can the minister, without getting into the whole rhetoric and all the political crap we got a minute ago, explain to us about the 19 individuals who were at the HPH, what their duties were, what they did and what qualified them to earn \$270,000 in overtime pay during the strike?

**Hon David Johnson:** It's almost difficult to know where to start. This is really an insult to the people who worked there around the clock, 24 hours a day. This hospital has to be open 24 hours a day. There are 200 patients in this hospital and various outpatients; the outpatients were restricted to some degree, but certainly various outpatients were coming. His own member for Oriole has written to me with a note from a constituent expressing concern with regard to the safety and dealing with the vulnerable patients in this hospital.



The people who worked long hours in overtime and who received a single overtime payment did all sorts of duties, from their regular duties to serving food to mopping the floors to cleaning up. They did everything that needed to be done, considering that about one third of the staff was on duty to service a population of some 200 patients. I might say that at the end of the day, there was still a huge saving to the taxpayer as a result of this arrangement.

1430

### VIDEO LOTTERY TERMINALS

**Mr Peter Kormos (Welland-Thorold):** I've got a question to the Minister of Finance. Yesterday you said, "The reference to video lottery terminals" — slot machines — "in the budget really was in response to having control over some 15,000 to 16,000 illegal video lottery terminals operating in the province today which are not subject to any sort of regulation or control."

Interestingly, Detective Staff Sergeant Larry Moodie of the OPP illegal gaming unit disagrees with you, because he said, "Legalizing video gambling is not going to eliminate the illegal machines," as he was quoted in a Toronto paper in March of this year.

Minister, just who did you rely upon, if not Detective Staff Sergeant Larry Moodie from the OPP, leading the illegal gaming unit, to form your conclusion that your legalized slots are going to eliminate the illegal VLTs that you referred to yesterday?

**Hon Ernie L. Eves (Deputy Premier, Minister of Finance and Government House Leader):** Finance officials have been in contact with other ministries and we are informed that that is the projected number of illegal video lottery terminals in the province of Ontario — a guesstimate, in any case, at 15,000 to 16,000 of them.

I also said, in question period and more particularly in the scrum after question period yesterday, that there were really three primary reasons why the government decided to introduce VLTs in the limited fashion that it is so doing.

**Mr David Christopherson (Hamilton Centre):** Money, money, money.

**Hon Mr Eves:** No. Number one is, quite frankly, to get a handle on control and regulation of VLTs in a controlled and monitored atmosphere.

The second reason is so that charitable organizations actually get a fair share of the revenue. Unlike the previous administration, where charitable organizations received about \$12 million a year from roving charitable event sites, as they're referred to in the province of Ontario, under our proposal they will receive over \$180 million a year on an annualized basis.

The third reason is, yes, we will receive some revenue but —

**Ms Frances Lankin (Beaches-Woodbine):** "We don't have a revenue problem. There is no revenue problem; it is a only spending problem."

**Hon Mr Eves:** To the member for Beaches-Woodbine, who's howling about the revenue, the revenue projections maximized under our proposal will be \$260 million a year. That would cover about 260 hours of the debt left for us on ongoing basis.

**Mr Kormos:** Once again, Minister, Detective Staff Sergeant Larry Moodie of the province's illegal gaming unit, one of the people in this province with expertise with whom you clearly didn't consult, notwithstanding your leader's promise of consultation, says that "Legalizing video gambling is not going to eliminate the illegal slots out there." It's acknowledged, because Detective Staff Sergeant Larry Moodie indicates as well that there's a growth in illegal gambling, a flourishing of it, sucking billions of dollars out of the economy.

In an 80-page internal report prepared by the Criminal Intelligence Service Ontario, it was indicated that — Minister, I'd wish you'd listen to this — "Until the government provides meaningful enforcement, illegal gambling will continue under a façade of honesty and integrity. There seems to be an acceptance that gambling is not a problem"; that is, illegal gambling.

You yourself said yesterday that "illegal gaming activity is growing like Topsy in Ontario."

Minister, are you aware that there are only four police officers working in the illegal gaming unit for all of the province of Ontario? If you're really serious about discouraging illegal gaming and illegal slots, why don't you commit yourself today to putting more police officers into that illegal gaming unit?

**Hon Mr Eves:** I don't have to commit myself today to it because I committed myself yesterday to it in the scrum when I was asked questions outside the House by the media. There definitely will have to be — the member is quite right — a larger force to enforce video lottery terminals, gaming of all types, in the province of Ontario. But I do want to say to the honourable member, when he talks about who have different opinions about what the government is doing in this area — I want to read to him an excerpt from a letter written to the Premier yesterday from Frank Chapman, chair of the Provincial Bingo Charitable Activities Association:

"I am writing to you on behalf of the Provincial Bingo Charitable Activities Association to express how appreciative we are of the initiatives to support charitable fundraising and, in particular, those related to gaming that were announced by the Minister of Finance on Tuesday."

I want to read to him from the Canadian Foundation on Compulsive Gambling, who I think know a little bit about this:

"After 14 years of struggling alone to place the issue of problem and compulsive gambling in the consciousness of gaming providers in Ontario a light finally begins to shine at the far end of the problem and compulsive gambling tunnel." That is a quote from the executive director.

Another quote from Don Ohlgren, president of the Association of Registered Casino Operators of Thunder Bay's Klondike Casinos, and I'm sure the leader of the official opposition would be interested in this: "It's like going from the Stone Age to Valhalla."

There are a few quotes of people who are concerned about charitable organizations in the province, who are concerned about problem gambling, which your government did nothing about despite the fact that it introduced casino gambling to the province of Ontario.



## HORSE RACING INDUSTRY

**Mr Bob Wood (London South):** My question is to the Minister of Consumer and Commercial Relations. Two days ago, the Minister of Finance announced that the racetrack tax was being reduced to 0.5%. At long last, Ontario's taxes are in line with other jurisdictions. We're very pleased to note that the Minister of Finance listened to the Western Fair Raceway in this regard. Could the minister tell us what effect he thinks this reduction is going to have on jobs in the horse racing industry?

**Hon Norman W. Sterling (Minister of Consumer and Commercial Relations):** Until about 10 years ago, the racing industry in this province was very strong and vibrant. Over the past 10 years, because of other kinds of gaming which have been introduced to the province of Ontario, the racetracks and the horsemen, the some 25,000 people who are involved in this industry in the province of Ontario, were under attack.

We were very pleased the day before yesterday to find a reduction of the racetrack tax to 0.5%, which brings us into line with the other provinces in this country and the other jurisdictions in North America. It will allow our horse racing industry — the many trainers, the grooms, the farmers who grow the produce for the horses, the breeders in particular; we have an excellent breeding program here in the province of Ontario, one we're very proud of, particularly in the standardbred area — to get back on their feet. It will allow them to expand and take advantage of the market, which is now really up for grabs; it will allow the many people who work at these racetracks to hold their jobs — they've been losing their jobs in the past — and it will allow us to again be number one in North America in the horse racing industry.

**Mr Bob Wood:** I wonder if the minister could tell us when this tax reduction will be implemented.

**Hon Mr Sterling:** Tomorrow — no. I don't think the Treasurer is expecting it tomorrow.

This will put considerable resources back into this industry. However, the Minister of Finance and this government are very concerned that that money be used for the revitalization of this industry. Because of the very desperate situation they were in, for the first time in Ontario's history the various sectors of this industry got together, under the name of OHRIA, the Ontario Horse Racing Industry Association. This included the thoroughbred owners, the standardbred owners, the trainers, the horsemen, the small tracks, the big tracks. It included all of them, and they are going to put forward a plan as to how this money will be used to revitalize this very important industry. Once we are satisfied that plan is fair to all, then we will implement this tax cut.

1440

## VIDEO LOTTERY TERMINALS

**Mr Bruce Crozier (Essex South):** My question is also for the Minister of Consumer and Commercial Relations, the real minister who's in charge of gaming goodies in this province. I too would like to quote from a letter written by the now Premier last May:

"A Harris government will not move on VLTs until all sectors have been consulted, all impacts assessed, and

agreement is reached on the distribution of revenues. A number of groups have suggested to the government that any movement should be deferred until you have a strategic provincial policy on gaming."

In view of this, have you developed a provincial strategy on gaming for Ontario?

**Hon Norman W. Sterling (Minister of Consumer and Commercial Relations):** My ministry is working along with other ministries that are involved in this particular part of Ontario society on forging an overall gaming strategy for the province of Ontario. The initiatives put forward by the Minister of Finance in his budget on Tuesday will give us tremendous opportunity to get a hold of the many problems we have in Ontario with regard to the gaming industry. Those result from the fact that the whole gaming industry has grown topsy-turvy over the last 15 or 20 years. It spanned the time when we were in government before; it spanned the time when you were in government before; and it spanned the time over the last five years when the third party was in government.

Therefore, we plan to utilize these new instruments to put forward a very comprehensive gaming plan that not only will include fairly the charities, which have not received their fair share, but will also include in it a plan to deal with the addiction which spins out of gaming.

**Mr Crozier:** Number one, you've admitted that addiction comes from it. Number two, let me paraphrase: You have no strategic plan for gaming in Ontario. It's as simple as that.

The Addiction Research Foundation says the analysis is — and it at least has done some — that VLT gambling is the crack cocaine of gambling. They go on to say that surveys show — and they've done surveys that you haven't, apparently — that it appeals to young adults and that about 10% of the users will develop some type of gaming-related problem.

The Premier has said: "I don't want millions of dollars in the province of Ontario. I don't want the money. I don't want the Ontario government to have it." Will you assure the House today that before you go beyond race-tracks and fixed charitable casinos, you will have a strategic plan in place and that you will consult the people of the province of Ontario the way the Premier says, that referendums should be held? Because it's one big casino, is what it is. Will you commit to that?

**Hon Mr Sterling:** We will commit to being more careful about the introduction of VLTs in this province than any other of the eight jurisdictions which have this kind of gaming in their provinces. We are taking a more cautious approach to dealing with this existing problem that is already there than any other province has done across this country.

We are first going to introduce them in some of the racetracks, a very controlled atmosphere where we can be certain young people will not gain access to them. The other place where we will be introducing them will be in charitable gaming event sites. They will be in a very controlled atmosphere and charities will be gaining a huge amount of money out of that particular activity. If it can be taken further than that, we will perhaps go to licensed premises, as the Treasurer has outlined, but



before we take that step, we will be certain that we have adequate control. We will have a limited number, far fewer than any other province in the country of Canada, and we will ensure it is done in the most safe and efficient way it possibly can be done.

### GASOLINE PRICES

**Mr Bud Wildman (Algoma):** I have a question to the same minister. This is on a problem that has been ongoing, off and on, for many years in this province, and that is the lack of regulation and difficulty in dealing with the changes in gasoline pricing across the province.

The price in Wawa, in my constituency, this week for regular gas is 70 cents per litre. That is three cents higher than a smaller, more isolated community 60 miles away in White River, and six cents higher than an even smaller community 70 miles in the other direction.

Will the minister indicate — I know he monitors the price — what his government is prepared to do in terms of encouraging the federal government to take action to ensure that there is not collusion in the oil pricing and gasoline pricing industry in this province and in this country? I understand that in the United States there is an anti-trust investigation going on. Why is it that we in Canada cannot take the same kind of action they have in the US?

**Hon Norman W. Sterling (Minister of Consumer and Commercial Relations):** As you know, gasoline prices are not only of concern to people in northern Ontario, but in eastern Ontario, the area from which I come, they are of great concern too.

I find it mildly amusing that my Liberal colleagues across the floor, those who feel so vulnerable on this issue because our federal Liberal MPs, and we have a few in this province, while in opposition trumpeted this issue in 1988, 1989, 1990 — I remember Mac Harb, the Liberal MP for Ottawa Centre, railing against the government to do something. Well, once in government, our federal government —

*Interjections.*

**The Speaker (Hon Allan K. McLean):** The member for Hamilton East, come to order.

**Hon Mr Sterling:** The federal government set up a Commons committee, as you may be aware, and the sum total of what the Commons committee said was that the federal government reviewed the Competition Act. The Competition Act is designed to maintain competition in domestic market and to deter anti-competitive behaviour. The committee decided they didn't need any kind of amendments to that particular act. The Liberal-dominated committee also decided that there were no allegations of anti-competitive behaviour that could justify a charge under this act.

**The Speaker:** The question has been answered. The oral question period has expired. The member for Oriole on a point of order.

**Mrs Elinor Caplan (Oriole):** Yes, I have a very serious point of order, Mr Speaker: The Chairman of Management Board, in response to a question from my colleague from Hamilton East, referred to a letter that I had sent to him on behalf of a constituent. He has the

letter and so do I, and it's very serious because the minister misrepresented what I had written and in fact the issue that my constituent had written on, if the minister will read the letter —

**The Speaker:** Order, order. I would ask the honourable member if she would withdraw the word "misrepresent."

**Mrs Caplan:** Mr Speaker, I can't, because it's the only thing that I — what is another word that I can use?

**The Speaker:** Order. Take your seat. Thank you.

*Interjections.*

**The Speaker:** Order.

**Mr Peter Kormos (Welland-Thorold):** On a point of order, Mr Speaker: I believe that you and the members of this House would want to know that in the east members' gallery is former page Brandon Sheppard who, along with Layne Sheppard, J'Etta Sheppard and their mother are visiting their brother Tyler-Blair Sheppard from Tillsonburg who's presently serving as a page.

1450

**The Speaker:** The member did not have a point of order, but he made a good point.

I'll take a point of order.

**Mrs Caplan:** I'd like to table this for the record, for the file, so that you may review this, and I would ask that you do so. When you do, Mr Speaker, you will see that the correspondence that the Chair of Management Board referred to was about a different issue than the one —

**The Speaker:** Order. You haven't got a point of privilege.

**Mrs Caplan:** — on a different issue is wrong. That is unbecoming comment and that is sleaze. Correct the record.

**The Speaker:** Order. I will not warn the member again.

### BUSINESS OF THE HOUSE

**Hon Ernie L. Eves (Deputy Premier, Minister of Finance and Government House Leader):** Mr Speaker, before you move to motions, I wondered if I could read the business sheet for next week.

Pursuant to standing order 55, I wish to indicate the business of the House for the week of May 13, 1996.

On Monday, May 13, we will continue with responses to the budget.

On Tuesday, May 14, we will begin second reading of Bill 47.

On Wednesday, May 15, and Thursday afternoon, May 16, we will continue with second reading of Bill 47.

For Thursday morning's private members' business, we will consider ballot item number 29, standing in the name of the member for Scarborough North, and ballot item number 30, standing in the name of the member for London Centre.

### PETITIONS

#### NORTH YORK BRANSON HOSPITAL

**Mr Monte Kwinter (Wilson Heights):** I have a petition to the Legislative Assembly of Ontario.

"Whereas the final report of the Metropolitan Toronto District Health Council hospital restructuring committee has recommended that North York Branson Hospital merge with York-Finch hospital; and

"Whereas this recommendation will remove emergency and inpatient services currently provided by North York Branson Hospital, which will seriously jeopardize medical care and the quality of health for the growing population which the hospital serves, many being elderly people who in numerous cases require treatment for life-threatening medical conditions;

"We petition the Legislative Assembly of Ontario to reject the recommendation contained within the final report of the Metropolitan Toronto District Health Council hospital restructuring committee as it pertains to North York Branson Hospital, so that it retains, at minimum, emergency and inpatient services."

I have affixed my signature.

#### BEAR HUNTING

**Mr David Christopherson (Hamilton Centre):** I have a petition to the assembly of Ontario on behalf of Linda Mitchell and a number of other Ontarians.

"Whereas bears are hunted in the spring after they have come out of hibernation; and

"Whereas about 30% of the bears killed in the spring are female, some with cubs; and

"Whereas over 70% of the orphaned cubs do not survive the first year; and

"Whereas 95.3% of the bears killed by non-resident hunters and 54% killed by resident hunters are killed over bait; and

"Whereas Ontario still allows the limited use of dogs in bear hunting; and

"Whereas bears are the only large mammals hunted in the spring; and

"Whereas bears are the only mammals that are hunted over bait; and

"Whereas there are only six states in the United States which still allow a spring hunt;

"We, the undersigned, petition the Parliament of Ontario to amend the Game and Fish Act to prohibit the hunting of bears in the spring and to prohibit the use of baiting and dogs in all bear-hunting activities."

#### CONDOMINIUM LEGISLATION

**Mr Douglas B. Ford (Etobicoke-Humber):** It is once again my pleasure today to present to the Parliament of Ontario a petition with well over 400 names.

"Whereas the present Condominium Act of Ontario does not give the condominium corporations the legal right to limit the number of people who occupy each unit in a complex, thus causing overcrowding situations in many buildings; and

"Whereas the overcrowding creates excessive demand on services and facilities of the condominiums, leading to tensions, violence, fire and health problems, increased maintenance expenses and depreciation of values;

"We, the undersigned, petition the Parliament of Ontario as follows:

"We strongly recommend the Condominium Act of Ontario be amended to give condominium corporations, through their own rules and regulations, the legal right to limit the number of persons per unit and the right of entry to ensure adherence to the rules.

"The rights of condominium owners and taxpayers must be considered and supported in order to alleviate the inequitable situation."

One month ago we submitted 1,000 names and Chris Stockwell a couple of weeks ago submitted 700 names and today I'm submitting over 400 names.

"Whereas the present Condominium Act of Ontario does not give the condominium corporations the legal right to limit the number of people who occupy each unit in the complex, thus causing overcrowding situations in many buildings."

I put my signature to this petition.

#### ST THOMAS PSYCHIATRIC HOSPITAL

**Mr Peter North (Elgin):** I have a petition yet again from the people of the city of St Thomas supporting the St Thomas Psychiatric Hospital, and it says:

"To the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the Parliament of Ontario as follows:

"That a recommendation by the psychiatric hospitals restructuring committee to close the St Thomas Psychiatric Hospital be rejected.

"We believe the restructuring committee has not fully considered the case for retaining the St Thomas Psychiatric Hospital.

"We believe the hospital and the community of St Thomas provide care and caring for psychiatric patients which is equal to and better than London.

"We believe closure of the St Thomas Psychiatric Hospital will have a devastating impact on the economy and residents of St Thomas and Elgin county.

"We believe London can better absorb the impact of closure of the London Psychiatric Hospital.

"Finally, we believe it would be cheaper for government to retain the St Thomas Psychiatric Hospital in terms of capital improvements required to both facilities.

"Therefore, we request that the government refrain from endorsing and implementing the recommendation to close the St Thomas Psychiatric Hospital."

#### LIQUOR CONTROL BOARD OF ONTARIO

**Ms Annamarie Castrilli (Downsview):** To the government of Ontario:

"Whereas the government of Ontario appears to be moving towards the privatization of retail liquor and spirit sales in the province; and

"Whereas the LCBO provides a safe, secure and controlled way of retailing alcoholic beverages; and

"Whereas the LCBO provides the best method of restricting the sale of liquor to minors in Ontario; and

"Whereas the LCBO has an excellent program of quality control of the products sold in its stores; and

"Whereas the LCBO provides a wide selection of product to its customers in modern, convenient stores; and



"Whereas the LCBO has moved forward with the times, sensitive to the needs of its customers and its clients; and

"Whereas the LCBO is an important instrument for the promotion and sale of Ontario wine and thereby contributes immensely to the grape-growing and wine-producing industry;

"Therefore, be it resolved that the government of Ontario abandon its plan to turn over the sale of liquor and spirits to private liquor stores and retain the LCBO for this purpose."

#### WORKERS' COMPENSATION

**Mr David Christopherson (Hamilton Centre):** I have petitions from United Food and Commercial Workers, Local 1008, to the Legislative Assembly of Ontario and the Minister of Labour, the Honourable Elizabeth Witmer.

"We, the undersigned, are opposed to the proposed changes to workers' compensation in Ontario, including the elimination of the current bipartite board of directors; the reduction of temporary benefits from 90% to 85%; the introduction of an unpaid waiting period for compensation benefits; legislated limits on entitlement including repetitive strain, chronic pain and stress claims, reduced permanent pensions and pension supplements;

"Workers' compensation is not a handout; it is a legal obligation that the employers of this province have to workers in Ontario;

"We therefore demand no reduction in existing benefits, improved vocational rehabilitation, tightened enforcement of health and safety to prevent accidents, no reduction in current staff levels at the WCB, and continued support for the bipartite board structure."

I affix my signature also.

#### GOVERNMENT ADVERTISING

**Mr James J. Bradley (St Catharines):** I have a petition from a large number of people in Ontario and it reads as follows:

"Whereas the people of Ontario are being subjected to the most drastic reduction in services in the history of the province;

"Whereas the Premier has required that the people of this province pay higher user fees and property taxes;

"Whereas the Premier and his ministers have preached restraint to all who have requested funding from the provincial government;

"We, the undersigned, request the government of Ontario not to embark upon an advertising campaign using taxpayers' dollars and designed to sell the Ontario budget to the people of the province."

I affix my signature to this petition, as I'm in complete agreement with its contents.

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#### ALZHEIMER RESPITE CARE

**Mr James J. Bradley (St Catharines):** This petition is to the Honourable Lieutenant Governor and the Legislative Assembly of Ontario.

"Whereas the Niagara region has one of the highest per capita populations of seniors in the province of Ontario; and

"Whereas the Niagara region ranks 32nd out of 38 health regions in long-term care funding and that more individuals wait for support services from the March of Dimes than those who are actually served by it; and

"Whereas Alzheimer patients who critically depend on support services in order to cope in a more humane way with this devastating illness continue to suffer from unacceptable delays in receiving respite care; and

"Whereas more than half of all Ontario families waiting for Alzheimer-related respite care reside in the Niagara area;

"We, the following undersigned citizens of Ontario, beg leave to petition the Parliament of Ontario to adopt the plan by the Niagara Regional District Health Council which would help improve the way vulnerable people are treated in the Niagara area."

I affix my signature as I'm in complete agreement with its content.

#### ST JOSEPH'S HOSPITAL

**Mr David Christopherson (Hamilton Centre):** I have a petition to the Minister of Health and the Hamilton-Wentworth District Health Council.

"Whereas the Hamilton-Wentworth Health Action Task Force, as part of their report, has recommended the closure of St Joseph's Hospital in Hamilton; and

"Whereas it is recognized the health care system should be made as efficient as possible; and

"Whereas the quality of health care service in our community should not be sacrificed in the name of this efficiency; and

"Whereas the Mike Harris government promised to protect the quality of health care in Ontario; and

"Whereas we, the undersigned, believe that maintaining the presence of St Joseph's Hospital in downtown Hamilton is a vital component of our health care system;

"Therefore be it resolved that the Minister of Health and the Hamilton-Wentworth District Health Council ensure the continuance of St Joseph's Hospital at its present site."

I affix my signature also.

#### LIQUOR CONTROL BOARD OF ONTARIO

**Mrs Elinor Caplan (Orillia):** I've a petition to the government of Ontario.

"Whereas the government of Ontario appears to be moving towards the privatization of retail liquor and spirit sales in the province; and

"Whereas the LCBO provides a safe, secure and controlled way of retailing alcohol beverages; and

"Whereas the LCBO provides the best method of restricting the sale of liquor to minors in Ontario; and

"Whereas the LCBO has an excellent program of quality control of the product sold in its stores; and

"Whereas the LCBO provides a wide selection of products to its customers in modern, convenient stores; and

"Whereas the LCBO has moved forward with the times, is sensitive to the needs of its customers and its clients; and

"Whereas the LCBO is an important instrument for the promotion and sale of Ontario wines and thereby contributes immensely to the grape-growing and wine-producing industry;

"Therefore be it resolved that the government of Ontario abandon its plan to turn over the sale of liquor and spirits to private liquor stores and retain the LCBO for this purpose."

I affix my signature to this worthwhile petition.

#### GOVERNMENT ADVERTISING

**Mrs Elinor Caplan (Oriole):** I have another petition.

"Whereas the people of Ontario are being subjected to the most drastic reductions in services in the history of the province; and

"Whereas the Premier has required that the people of this province pay higher user fees and property taxes; and

"Whereas the Premier and his ministers have preached restraint to all who have requested funding from the provincial government;

"We, the undersigned, request that the government of Ontario not embark upon an advertising campaign using taxpayers' dollars and designed to sell the Ontario budget to the people of the province."

I affix my signature to this petition, which it appears has arrived too late.

#### ALZHEIMER RESPITE CARE

**Mrs Elinor Caplan (Oriole):** "To the Honourable Lieutenant Governor of the Legislative Assembly of Ontario:

"Whereas the Niagara region has one of the highest per capita populations of seniors in the province of Ontario; and

"Whereas the Niagara region ranks 32nd out of 38 health regions in long-term care funding and that more individuals wait for support services from the March of Dimes than those who are actually served by it; and

"Whereas Alzheimer patients who critically depend on support services in order to cope in a more humane way with this devastating illness continue to suffer from unacceptable delays in receiving respite care; and

"Whereas more than half of all Ontario families waiting for Alzheimer-related respite care reside in the Niagara area;

"We, the following undersigned citizens of Ontario, beg leave to petition the Parliament of Ontario to adopt the plan by the Niagara Regional District Health Council which would help improve the way vulnerable people are treated in the Niagara area."

I affix my signature to this important petition.

#### ORDERS OF THE DAY

##### 1996 ONTARIO BUDGET

Resuming the adjourned debate on the amendment to the motion that this House approves in general the budgetary policy of the government.

**Ms Frances Lankin (Beaches-Woodbine):** I am pleased to take part in this debate.

I sat through the budget lockup reading the document and I really was looking for some of the hard numbers. For the last number of months those of you here in the House who've been around as we've participated in a number of different debates and discussions on the general economic directions of this province will know that I have been very concerned about the lack of hard information that's been provided by the government, particularly by the Ministry of Finance.

I really, truly believed that yesterday, finally, after 10 months of the government telling us in broad terms what it was doing, we would see the specifics, we would actually get the numbers, we would get the hard detail and we would be able to fill in all the blanks in terms of the picture that has been presented by the government. But I was sadly mistaken, and I was very surprised, because yet again there was all sorts of information that was missing.

It was only a few weeks ago that we had the supposed detail of what the expenditure cuts were going to be, and you'll remember that the government tabled a number of business plans. We stood here in the House and we said: "But where's the beef? Where's the detail?"

There is no hard information. We've got the overall targets now of how much money is going to be cut from each ministry, in other words, the overall \$8 billion that we know the government has said it's going to cut. We know how much has been relegated to the Ministry of Agriculture, Food and Rural Affairs or to the Ministry of Environment and Energy, but we don't know specifically within those ministries what the nature of the cuts is.

We were told: "That's coming. These are just the summaries of the business plans." We said, "Well, give us the business plans," and they said, "The business plans aren't ready." So we asked, "How can you have a summary of a business plan if the business plan is not ready?" We were assured that we were just making too much of all this and that the information and the detail would come with the budget.

Lo and behold, the day before yesterday the budget arrives, we go through the budget speech, the budget papers, the Ontario finances, the budget highlights, and the detail is not there either.

It's an interesting way in which business is being conducted here in the province of Ontario. There's a bit of a shell game. You know that game where you have shells or cups and there's a pea? You put it under them, you mix it here and there and someone has to guess where the pea ends up. Well, we don't know in this province where the real impact of this budget — the pea — is going to end up, because this government is playing a shell game with all the numbers.

As I have an opportunity to respond to this budget, I want to take you through that step by step and show you how they've worked very hard to try to convince the public — the cuts of \$8 billion; the changes we're seeing in our school system, our health care system; the cancellation of support programs for women's shelters, all sorts of things that we rely on to build safe communities, healthy communities; the basic supports in infrastructure;



that government is a part of redistributing the wealth of our province to the citizens of our province — that all the cuts on that side have nothing to do with the budget they brought forward and the income tax cut they're giving, which is primarily going to benefit the wealthiest.

We know there is only one bottom line, and at some point in the province of Ontario, even if the government continues to refuse to acknowledge it and continues to try to play the shell game and move the pieces around, at some point it all has to be consolidated and come back together. That's the point when people are going to see that this government is governing in the interests of only a few in this province, that this government is making decisions that benefit the wealthiest, that this government is making decisions that hurt the most vulnerable, that this government is making decisions that are ripping apart the infrastructure of our communities, that are hurting families and that are not putting money back in the pockets of the middle-income earner whom they profess to be so concerned about.

1510

Perhaps it would be most helpful if I approached this discussion from the perspective of how the government has tried to present this information. When someone does something good, you should probably give them a pat on the back. In this case, I've got to say that budget was one of the most brilliant communication pieces I have ever seen — spin-doctoring, as they call it in the political business; smoke and mirrors, as someone who might be more cynical than I would call it.

I was in awe at how you tried to put this forward as simply a good news budget and completely divorce it from the actions the government has taken with respect to the \$8 billion in cuts, completely divorce the two like they had nothing to do with each other. It's like the Premier standing up two weeks or so ago and saying, "The tax cut has nothing to do with the expenditure cuts, and by the way, the tax cut's going to pay for itself."

Let me start there, because that's perhaps one piece of information we can get clarified from this budget. In the news releases that went along with the budget, we saw the first one with a heading, "Income Taxes to be Cut 30% over Three Years." This is the government's communications vehicle and it tries to put a positive spin on this and tries to suggest that there will be a stimulus to the economy, that there will be economic growth and that jobs somehow will flow from this.

We did some very careful reading of the budget papers in support of the budget to try to look at the economic growth figures to try and understand —

**Mr Peter L. Preston (Brant-Haldimand):** Well, if you only understand one page out of the 50 pages of the budget —

**Ms Lankin:** In fact, for me, I was trying to get the answer to the questions that I asked the Minister of Finance when he came before the standing committee on finance and economic affairs:

"What kind of impact do you expect from this 30% tax cut? What sort of economic stimulus will it produce? What will that mean in terms of consumer confidence? How many jobs do you truly believe it will produce and over what period of time?"

These are the sorts of answers you get to questions when finance officials grind the numbers and do the economic analysis and the economic modelling on any proposal for a change in various taxes. We know that has to be available to the Minister of Finance. But at the standing committee on finance and economic affairs he said to us, "Well, I haven't asked my officials those questions."

"Minister, you haven't asked your officials what the economic stimulus, the impact is going to be of this tax cut? You haven't asked your officials what they expect it means in terms of lost revenue to the government and/or consumer confidence and jobs?"

"No, I haven't asked those questions."

That is only too bizarre, and I have to tell you that's not believable. But I suspect the reason the minister didn't want to answer the question and didn't want to provide us, the members on the standing committee, with that information was that the minister probably didn't want to be open to the criticism that his own officials' work that they had done and research they had done and the numbers they produced showed and actually made folly of his statements that this tax cut was going to stimulate the economy, that this was going to be the government's main job creation program. We see that we're right on that assertion as we look into the documents.

The members across are looking at me with a bit of scepticism. I think they don't believe me.

**Mr Preston:** Well, we figured you would really read it.

**Ms Lankin:** I want to try to get them to take these numbers and to go back and look and do the research themselves, because these numbers are in your budget document and you can take the opportunity to understand them. I think you should go back and ask your finance minister some of these questions in your next caucus meeting.

The economic growth numbers, the projections for economic growth are based on economic modelling that asks: What's the activity in the economy? What do we think it's going to produce in terms of economic growth? From that, government officials determine what they expect will happen to government revenues and how many jobs they think will be created in the economy.

The Premier and the finance minister have stood in their place in this House on a number of occasions and have attempted to make the argument to the people of Ontario that this tax cut is somehow going to pay for itself. They argue that we cut taxes, therefore consumers have more money in their pockets, therefore they'll go out and spend, that will create economic activity, that will create jobs —

**Mr Preston:** You are starting to get it.

**Ms Lankin:** — there will be revenue from the jobs that will come in income tax to the government, and therefore that will pay for itself.

**Mr Preston:** You do. Right now, you understand.

**Ms Lankin:** We have some true believers on the other side. There are some people who are applauding or saying, "Yes, I think the member's got it," and many iterations of that. Fine. If that's what you think the truth is, why isn't that in your budget plan? Why don't the numbers show that?

*Interjection.*



**Ms Lankin:** I suggest to the member opposite who's been so mouthy through this opening few minutes of my comments that you're going to get a hoarse voice because I've got 90 minutes to go. If you want to continue, continue.

Take a look at the numbers on economic growth. In the November economic statement, the projections for economic growth show short-term expectation of 1.9% and medium-term expectation of 2.8% — that's for 1997-98 — meagre economic growth. Much less than what was projected in the Common Sense Revolution, by the way. But that's okay; slow economic growth.

That was, by the way, projected before this budget; that was projected before the tax cut. Now in the budget documents we see the tax cut has been implemented, has been announced, we see how it ramps up over the next few years and we look at the medium-term figures with respect to economic growth and the medium-term figures with respect to revenues to the government.

What do we see? We see the revenue loss from the income tax cut taken out of the fiscal equation in the government, and we see economic growth projected to be, my goodness, 1.9% in the short term and 2.8% in the medium term — absolutely no indication of pickup in economic growth as a result of the mighty stimulus of the 30% tax cut.

What happened to it? Where did it go? No economic stimulus. No improvement in the projections for economic growth in this province. Yet the minister and the Premier have stood in their place and said: "Don't worry, that's what the tax cut's going to do. It's going to stimulate the economy. It is going to make a higher and more aggressive pace of increase in economic growth, and that will produce the jobs and that will produce the revenue." It's not there. It's not in your own budget figures.

So, Mr True Believer, go take a look at the budget, go take a look at the numbers.

**Mr Preston:** Are you talking to me?

**Ms Lankin:** You've got to understand that your finance minister doesn't even believe his own comments and those of the Premier.

We see for the first time absolute proof, absolute numbers. Of course, from the commonsense point of view on this side of the House, we always knew that it was ludicrous to suggest the tax cut could pay for itself. That would suggest that if you didn't have any taxes in this province, there would be more revenues coming into the government. Extend your argument. It doesn't make sense.

It is a — what are the parliamentary words? I can't say "lie"; I can't say "misrepresentation." It is a false representation of economic fact to suggest that a 30% income tax cut could pay for itself and that there was no impact on the bottom line with respect to the deficit or a need to cut expenditures to make up for that if you're going to balance your budget. So what do you say? I go back to calling it a shell game or a con job; a communications spin-doctoring position that doesn't bear any true relationship to the economy.

**Mr Frank Klees (York-Mackenzie):** On a point of order, Madam Speaker: The honourable member referred

in her comments to a false statement. Now, is that not very close to a lie? I would ask that the member be asked to withdraw that.

**The Acting Speaker (Ms Marilyn Churley):** I don't believe it was out of order, but I would caution the —

**Ms Lankin:** It wasn't out of order.

**The Acting Speaker:** One moment. I would caution the member to be careful in how you distinguish your version of the facts here. I am saying that was not out of order, but I'm cautioning the member to be careful; it was close.

**Ms Lankin:** So I behave by the rules and I'm being cautioned to behave by the rules. I accept your caution, Madam Speaker, only because of my great respect for you and for the office you hold.

I very clearly said that the theory put forward —

**Mr Klees:** Point of order.

**The Acting Speaker:** Point of order?

**Mr Klees:** Well, yes, Madam Speaker.

**Ms Lankin:** Are you questioning the Speaker?

**Mr Klees:** Well, no. I'd like clarification, if I might. I'm just wondering, and it would help me in future as well, if in fact an honourable member in this House can refer to a statement made —

**Ms Lankin:** I didn't refer to a member.

**The Acting Speaker:** Order. I've already given my ruling. I told the member for Beaches-Woodbine that I didn't consider her remarks out of order and, as you know, I did caution her to stay in order. I think she's very well aware of that caution. I have ruled and that's the end of the matter.

**Ms Lankin:** Well, nice try.

Let me come back and say to you very clearly that the statements that are in the budget document and the theory that is put forward that a 30% tax cut is going to pay for itself in the way in which it has been suggested is a false representation of economic fact. I will say that over and over again. I have not, sir, called anyone a liar.

**Mr Floyd Laughren (Nickel Belt):** However —

**Ms Lankin:** You can't censor my thoughts, though. What can I say?

**Mr Laughren:** Thank goodness for that.

**Ms Lankin:** My colleague is interjecting in a not very helpful way. I'd ask the Chair to caution my colleague beside me here.

1520

The point I want to make with respect to the tax cut first of all is that the budget finally shows us numbers which make it clear that the government itself does not expect any economic growth, any stimulus to the economy, as a result of the 30% income tax cut. The projected economic growth numbers in the short term and the medium term have not changed from the November projection to this budget's projection. What has changed is the introduction of the 30% tax cut, which was supposed to produce a stimulus. The government hasn't counted on it producing any stimulus in its numbers in the budget document out into the years.

**Mr Trevor Pettit (Hamilton Mountain):** It's two days ago.

**Ms Lankin:** One of the members opposite says, "It's two days ago." Sir, the budget has projections for short-



term and medium-term changes in revenues, in economic growth, in expenditures and in deficit. So you either believe there's an impact from this tax cut — and if there is an impact, then you build that into the numbers — or you don't believe there is an impact. What I say is that it makes our point very clearly that this 30% tax cut fails miserably as an economic measure to stimulate the economy, to stimulate revenues to the government and to stimulate job creation.

The other thing we see is that the government argues this is actually going to build consumer confidence. They suggest this is the case because people are going to have more money back in their pockets. In a sense, I understand the theory of that.

If I were fashioning this kind of a tax cut approach, I would target it to those people who are most likely to go out and spend it. I would take a look at the people who are at the lowest income levels who are paying income tax, because most of the money that those people have goes immediately back into the economy. I think all of you would agree with that. I think people who are at the low income, people who are living on less in terms of resources, tend not to have a lot of savings or might have more indebtedness, but their money goes back into the economy very quickly. I would think of targeting it more towards those people, making the income tax scale much more progressive.

I would think, in terms of medium- and middle-income people, that you want them to have a substantial enough amount left in their pockets at the end of the day that in fact they see that as an increase in the standard of living and that it builds their confidence and they go out and look to participate more in the general economy.

Then I would think that at the higher end, where you know that people already have disposable income, that they already spend what they're going to spend — I keep asking in terms of the wealthiest in this province, how many fridges do you think they need? They're not going to take the tax cut and go out and buy a new fridge or a new couch. They have the money to do that already. So at that end of the income scale I would think of reducing the kind of tax cut they got. I don't see why you would target it to them.

That might have the kind of stimulus effect. But I have to ask you to take a look at what you've done. With the exception of a minor little tinkering on surtax and at the low end, virtually it's a 30.2% income tax cut across the board. That will apply to everyone filling out their tax form and everyone will pay 30.2% less in terms of the provincial income tax.

You might think that's fair, but if you pay a lot of taxes because you earn a lot of income, you're going to get an awful lot more back. That's the way the progressive nature of the income tax system works. If you're a middle-income earner, you're not going to get so much back out of that tax cut, and if you're a low-income earner who pays very little in taxes now because your income is so low, you're going to get hardly anything back. The reality is, in terms of disposable income, you've got people at the low end who would tend to spend that money more readily not getting much back, middle income getting just a little bit back, and the

wealthiest people in the province getting the vast majority of the money.

Here's where we again see sort of the shell game and the smoke and mirrors and the positioning, the positioning statements of the government, and this one I thought was very interesting in the budget. It tries to make the case that somehow this tax cut is fair. Essentially what it does is try to refute the arguments that we in the opposition have been raising that virtually half of the money from this tax cut is going to go to the 10% wealthiest Ontarians. The government must have been feeling fairly vulnerable on that point, because they went to great lengths in the budget to attempt to refute it, and so what they did was they looked at all the various percentiles of taxpayers and how they could get the best cut on this, and this is what they came up with.

The government rhetoric says that 64% of the benefit goes to middle incomes, those with incomes between \$25,000 and \$75,000. Mr Speaker, may I say to you first of all — that's tough to say, Mr Speaker. May I say to you first of all —

**Mr Preston:** On a point of order, Mr Speaker: I believe the member opposite is ridiculing the Chair, and on top of that, I'd like to get an opportunity to get your payday on the TV.

**The Acting Speaker (Mr Stockwell):** I appreciate your hospitality. Please sit down.

**Ms Lankin:** As I was saying, the government rhetoric says that 64% of this benefit is going to go to those whom they call middle-income earners, those they define as people with incomes between \$25,000 and \$75,000. First of all, \$75,000 income per year in Ontario society is not exactly a middle-income earner. That is within the top 10% tax bracket. I find it extraordinary the way the government has had to play with the figures. And of course \$25,000 a year is not exactly middle income. So what did they do? They stretched the definition of "middle income" in the most amazing way and declared with great pride that 64% of that benefit goes to middle-income earners with incomes between \$25,000 and \$75,000.

**Mr Pettit:** That's just your perception.

**Ms Lankin:** The member across says it's just my perception, but it's the government rhetoric. But could I point out something to you? What the government doesn't say about that 64% —

*Interjections.*

**Ms Lankin:** Listen just for a sec, just for a moment. Listen to this next, okay?

What the government doesn't say is that that income group they have identified, the \$25,000 to \$75,000 who are getting 64% of the benefit, which they make sound like it's a lot, comprises 93% of the taxpayers. So flip that around. What does that mean? If 64% of the benefit, only 64% of the benefit, is going to 93% of the taxpayers, therefore, 36% of the benefit is going to 7% of the taxpayers. What a sham. Smoke and mirrors in terms of how you present the numbers.

The real fact is that this tax cut, as we see from the numbers in the budget again, when it's fully implemented is going to cost \$4.8 billion annually. That's in 1996-97 dollars. Half of that, so that's \$2.3 billion or \$2.4 billion,



in that range, is going directly into the pockets of the top 10% wealthiest in this province. Shame. There is no other way to describe that but to point out the obscenity and the unfairness of this government's priorities, to point out who it is you are benefiting, who it is you are governing on behalf of, who it is you take into consideration when you make the decisions. It's amazing that you would have the gall to put forward that kind of rhetoric, to try and spin that information in a different way.

1530

The government has taken great pains to try and separate these issues of the tax cut from the expenditure reductions. We've already pointed out that in the budget document itself it proves that the tax cut doesn't pay for itself, that there is no planned economic stimulus as a result of the tax cut. We've already shown that \$4.8 billion annually will be lost in government revenues, that over the course of the time of implementing this to when the government goes back to the people and gets to the point where it is going to attempt to balance a budget they will have had to borrow \$22 billion to pay for this tax cut. We're giving away a dividend on borrowed money and that interest will have to be paid on that borrowed money to give that tax cut. Over 50% of that revenue the government's forgoing, 50% of that money is going to the 10% wealthiest of this province, and the government continues to try and separate that out from the decisions it's making on the expenditure side in order to balance the budget.

Yet they would tell us that everything's in control and they would tell us that the expenditure decisions have already been made and that this province never had a revenue problem, that this province only ever had a spending problem. Yet in the budget we see the most cynical move on behalf of a Minister of Finance who sat on this side of the House and with great eloquence and vehemence fought against any government considering the introduction of extended gambling, such as video lottery terminals, and this government now puts in video lottery terminals.

I had an opportunity to take a look at the issue of VLTs, because when governments are in a difficult fiscal time and looking at money the bureaucrats come forward with ideas, and lo and behold, ministry officials recommended the very proposal that your government has decided to proceed with to our government. I took a long look at that because half a billion dollars in revenue at a time when you're seeing tough fiscal decisions being made about program expenditures and trying to balance the budget and deal with the deficit issues, it's pretty hard to forgo half a billion dollars in revenue unless you believe there's something fundamentally wrong about proceeding with the introduction of widespread gambling of the most addictive sort in order to get a cash grab for government.

I'll tell you very clearly, I believed there was something wrong with that, in my own personal opinion. I was very opposed to the inclusion of video lottery terminals as a government revenue generator. I thought it immoral for a government to rely on greater addictions, gambling addictions, to bring money into government.

There are people opposite who are sort of groaning. I'm telling you my own personal opinion. I fundamentally oppose government policy which relies on the addictions of unfortunate people losing their money and government treating that as a cash cow.

It really is not of any importance what I personally feel on this because the government is the government and the government makes the decision. But it is of importance to know what position the Minister of Finance holds on this because you have to have some integrity. At some point along the way, if you've changed your mind, say it, but the minister has not indicated that he's changed his mind. He stood on this side of the House and, as I said, he railed against any thought of introduction of video lottery terminals. He bespoke the evils that would sweep our communities. He accused governments opposite of the truest kind of hypocrisy to be considering video lottery terminals. Now he turns around and introduces it in a budget and says: "Well, gosh, it's okay. It's because we want to clean up the illegal aspect of this."

Well, I say bull. I know what it's about because I've seen the numbers. It's about \$500 million in revenue. From a government who said we don't have a revenue problem in the province of Ontario —

**Mr Laughren:** No revenue problem.

**Ms Lankin:** No revenue problem in the province of Ontario. We have an expenditure problem.

**Mrs Margaret Marland (Mississauga South):** On a point of order, Madam Speaker: I would like you to tell this House if the words "hypocrisy" and "bull" are parliamentary.

*Interjections.*

**The Acting Speaker (Ms Marilyn Churley):** Order, please. I have to admit that I didn't hear the member use the word "hypocrisy." I did hear her use the word "bull." I think that once again I would caution the member to temper her language. Again, I would not —

**Ms Lankin:** I've got the clock ticking here.

**The Acting Speaker:** Excuse me. The Speaker is ruling here. Again, I would caution the member to temper her language. Thank you.

**Mr Preston:** Come on, Speaker; "hypocrisy" was withdrawn this morning.

**Ms Lankin:** I want to point out to the member opposite that in the use of the word "hypocrisy" I was quoting the Minister of Finance when he was a member of the opposition, who accused previous governments of hypocrisy. I didn't say it about anyone over there. It was the Minister of Finance.

I say to the member for Mississauga South, if she wants it withdrawn, speak to the Minister of Finance. Tell him to withdraw all of those quotes in Hansard year after year after year, where he went after previous governments for a decision that he has now just swept in in this budget to collect \$500 million irrespective of his own personal positions on this and without answering any of the concerns that people have raised with respect to the impact of video lottery terminals.

I opposed video lottery terminals when it was proposed by the ministries to our government. Our government refused to proceed with that. The Minister of Finance has decided to proceed with it. All I can say to him is at least



be upfront, at least be honest, at least admit that you're so starved for money because of your decision to proceed with the tax cut and because of the difficulty in making all of the budget cuts that you have predicted and because there is slower than expected economic growth and you can't meet your deficit figures. You've got to find money somewhere. So I understand, but be honest about it. Answer these things up front. Stop trying to hide the facts from the people of Ontario.

The other thing that is really important to touch on that's related to the minister's assertions about what will be produced from the tax cut, and to me is an important issue that's on the minds of Ontarians, is the question of jobs. For a lot of people it's a question of, "Am I going to have a job in two months' time, in a year's time?" For a lot of people, it's a question of: "Am I ever going to find a job? I've been out of work for a long time." For youth in our educational facilities who are working hard in getting an education to try to build towards a future, wondering if there's going to be any future for them, if there will be any jobs available.

I believe that in most families in Ontario the question of economic security and income security and job security is absolutely paramount in their minds right now. It's one of the reasons why we haven't seen a return of consumer confidence. People are worried. People are not going to go out and spend. Just think about it for a moment. If you're worried about losing your job, you're not going to go out and spend. If you don't have a job, you can't go out and spend. That's pretty basic economics.

We see the numbers in terms of the lack of consumer confidence and we know that this issue is of primary importance to the people of Ontario. Are there going to be jobs? Will I have a job in the future? Will I be able to keep the job that I have today? And so, I found it particularly disturbing that the budget document itself did not give Ontarians any reassurance about the government's job program, about the government's sense of confidence in the numbers of jobs that will be created through these budget actions and through other government actions.

They went to great lengths to hide that information — back to this smoke and mirrors — not in the communications documents, not in the spin doctor documents. In fact, when I look at the news releases that came from the government — here's one; it was on the top of the list. "Budget creates jobs." Where? And where in the budget did you predict any jobs that would come from this?

Let me back up a moment, because there is a job promise out there that we have all heard. Well, you would all know it because you campaigned on it. In the Common Sense Revolution you made it very clear that the tax cut and the various other elements of the Common Sense Revolution were going to produce 725,000 jobs over a five-year term of your government. That's a big number; it's an impressive number. It's not a very real number, but one would hope that if the government had truly set its mind on that and believed it had a plan to get us there, it would set out that plan in the budget and show us some milestones about how it's doing, how it's getting along and what its projections are: Are they

going to make that, are they going to exceed that, are they going to fall short of it?

I spent a fair bit of time in the lockup going through the budget speech, the budget papers, the budget highlights document and the Ontario finances and, lo and behold, that number of 725,000 was nowhere to be found. The key promise of the Common Sense Revolution — the return of economic confidence, the return of promise of jobs to the province of Ontario, what the Common Sense Revolution was supposedly all about — has disappeared.

1540

This is the government's first major economic document, the first budget 10 months into the history of this government of Ontario, you've had time to take control of the reins and to get the ship going in the direction you want — that's a mixed metaphor, the reins to the ship — you've got things going in the direction you want and all of a sudden your key promise disappears.

I thought there had to be something in here, so we looked in the background paper and we looked to see if there were any other expressions of it and we couldn't come up with anything. We called the officials from the Ministry of Finance who go around from lockup to lockup and answer questions and we said, "Is there any place in this budget where this government has a projection of the number of jobs that are going to be created as a result of the actions that have been taken up to this budget?" "Oh yes," an official said. He took out a briefcase and a big, heavy briefing book, not the information provided to any of us in the lockup or to any members of this Legislature, the package of documents we received, not any information provided to the public of Ontario, but this minister's big briefing book. He flipped through it and found some numbers. Those numbers added up not to 725,000 jobs but only 289,000 jobs.

I ask the members opposite to take a look at how far short of your promise your government's budget falls on the key issue on the minds of all Ontarians: "Is there going to be a job for me tomorrow? Will I still have my job? If I don't have a job now, will I get a job?" You promised 725,000 jobs. The measures contained in your budget, as confirmed by officials in the Ministry of Finance, will produce 289,000 jobs.

You've got a major problem, my friends, and the province of Ontario has a major problem because the economics behind your approach that take ideology and place it above common sense, dare I say it, that take a zealous belief in what's possible if you follow the neo-right economic approach that we've seen in Reaganomics, in Rogernomics, in Thatchernomics, that didn't work in any of those areas — if you extrapolate from those experiences, you should know that it's not going to work in Ontario either.

Your own documents, your own budget papers, your own ministry officials' numbers make it very clear that you're falling short of your key promise of 725,000 jobs. It's very clear, if you work backwards from those numbers and you go into the budget documents, that you can find numbers which project growth in employment, and if you take the right economic model and have the right



calculations that follow, you can get to the government's information of 289,000 jobs.

I have to ask you why that number wasn't in the budget document, in the budget papers, in the budget highlights or in the Ontario finances? Why do you condone a practice on behalf of your Minister of Finance to hide information from the public of Ontario? I have never seen a budget in this province in the last years that didn't give the public information about what the government expected to be happening with respect to jobs, that didn't put itself out on the line in saying, "This is what we believe will be the end product of the steps we are taking as a government."

You've completely moved away, completely hidden information, completely abandoned your promise of 725,000. I guess that's the real reason why none of the numbers appeared in the document. You didn't want that to be shown. It wasn't that you didn't have the numbers, because when we asked the finance officials, they pulled the briefing book from the briefcase, they opened it up, and sure enough, there it was: The work had been done.

Your finance minister knew those numbers and made a conscious decision not to include them in the budget documents because they didn't want to inform the people of Ontario that the plans they had in the Common Sense Revolution, that they promised with great surety would lead to the new Nirvana of job creation in this province, they didn't want to admit that those plans didn't work.

During the campaign you went out with the Common Sense Revolution and brought all these Conservative Bay Street economists, these experts, to certify that, "Absolutely, this is right." We said there should have been a rider on the bottom of that which said, "PS: This promise will be cut in half once competent treasury officials get to work on crunching the numbers and see what the real effect is."

It's extraordinary that you'd think you could get away with just hiding that information and not addressing it. It seems to me it would be a position of much greater integrity to put forward the fact that with the changes in the economy, with all sorts of other things — dress it up how you want — the end result is that the plan you've put forward is only going to create fewer than 300,000 jobs — "But we still want to get to the goal of 725,000, so here are the additional measures we as a government are going to take." Probably I would have felt some sense of satisfaction in knowing that we'd been right all along and that the Common Sense Revolution didn't have a hope of producing 725,000 jobs, but at least there would be an honest representation of the facts and a recommitment of the government to its goal of 725,000 jobs.

That's not what we saw in this budget. We saw smoke and mirrors; we saw numbers being hidden; we saw the public being left without concrete information. We heard the Minister of Finance who yesterday in this House stood in his place in answer to my question and said: "Those numbers of 289,000 are just very prudent and cautious numbers. We know they're not right. We know we'll do much better than that. We know and we believe that we'll get to the 725,000." If you think the numbers in the budget are wrong, how can you put them out to the people of Ontario? There is a basic question of credibility

here. This sham, this shell game of a document is going to catch up with you, and I suggest we will see over the course of the next few weeks, as more and more layers of the onion get peeled away, that what's left in the centre is a pretty rotten core.

I've talked a bit about the tax cut and about the impact or lack of impact in terms of jobs and job creation. I want to talk about some other aspects of the budget in which we see one thing being said in the document, but when you step behind it you can see the reality is something else. One of the most extraordinary ones was with respect to capital spending. You see, the other thing I believe very much about this budget document is that the government went to great lengths to identify areas where they were vulnerable, where public opinion was showing a concern for the government's actions or lack of actions, then they tried to do something in a communications style to shore that up.

I'm truly glad that the Minister of Transportation is here. I've enjoyed listening to him in the last day or so and imagining him out on some remote highway with a shovel and asphalt and filling the potholes himself. It's going to be really interesting to see that unfold. But the budget is a very good example of the smoke and mirrors and the shell game that I talked about.

The government has announced in the last number of months cuts to all sorts of areas in government spending. A huge area of reduction is in capital spending, and many of us believe it is very important to continue to invest in the physical infrastructure of this province so that we have good, decent roads, that we have good, decent bridges, that we have the public infrastructure which produces assets and both social and economic dividends for decades to come for the people of the province of Ontario. We are talking about a good, efficient economy; you need, for example, good, efficient roads.

#### 1550

Of course, there's been much made here in the Legislature and across the province and by roads boards and municipalities and a number of others of the problem with respect to the maintenance and repair of our roads and projections about what is going to happen in the future if the government continues along its actions. So what do we see over the course of the last few months? We see capital spending slashed by 23%. That's a total of \$2.7 billion cancelled from capital spending in the province.

The largest capital budget in the province of Ontario is the Ministry of Transportation, and the Ministry of Transportation's capital budget has been slashed by \$500 million. That was just in the last announcement that you made, half a billion dollars. Now in this particular budget, we see again, from a spin doctor's communication point of view, the government trying to overcome the criticism about the state of repair in the roads, and it announced an extra \$100 million for southern highways and northern highways get a \$40-million increase and a \$20-million tender for Highway 416. Extraordinary; \$500 million you cut from the budget overall. With what's left, the meagre amounts left, you do some moving around and then you announce in the budget that it's an increase in spending, that somehow you are doing something more



for the people of Ontario. I mean, talk about smoke and mirrors.

Then the minister tries to back it up by saying, "We're going to fix every pothole in every provincial highway, and if my staff misses one," he says, "I'll go out and fill it myself." Well, I look forward to that day. I suggest that we'd better send someone with him because I think he may get lost. He was up in Thunder Bay last week speaking to the Northwestern Ontario Municipal Association and wanted to assure them that he knew the state of northern highways, and said, "Let me say to any of you here from Timmins...." Well, he forgot or didn't know that Timmins is in northeastern Ontario and there was no one of course at the Northwestern Ontario Municipal Association from Timmins.

We'll make sure when he goes out to fix the potholes that we have a good map and a good trail guide that can get him to the right pothole and the right stop, because I'm sure if he got lost he would try and use his cell phone and he might run into trouble in that as well, in terms of all of the areas where the cell phone wouldn't work. But it's another fact about northern Ontario that the minister seems to need to be enlightened on.

There are many other examples of those kinds of shell games, where the government in this budget, in an attempt to create a sense that it is investing new moneys or that it's expanding budget expenditures in a number of areas, has put forward what it calls good news. Well, they really wanted this to be a good news budget. They really wanted to try and put a warm and fuzzy coat on the government and say: "Look, we care. We care about kids. We care about families. Look at all these little wonderful things we're doing." Extraordinary.

I mean, kids, that's a really good example again in terms of a shell game. The announcement? Well, they're going to put up to \$5 million in a program that will allow communities to set up and expand local nutrition programs. Isn't this interesting. You cut welfare recipients, social assistance recipients, family benefit assistance recipients, over 40% of whom are kids, you cut the money going to them by 21.6%. We see people being evicted from their homes. We see a huge increase in the number of people who are reliant on food banks. We see more and more homeless people, more and more hungry kids. Hundreds of millions of dollars you cut out of the pockets of the lowest-income people in the province, the poorest people in the province and the poorest children in this province, and you take \$5 million and put it into a breakfast nutrition program and say: "Aren't we great? We're investing in kids." That's the drabs left over from the huge, huge cut that you've made in that budget area. Extraordinary. Well, it goes on.

You've talked about \$20 million into schools for computers. There was already a \$20-million budget established by the previous government. You've talked about increasing it by up to another \$20 million, of course only if it's matched by school boards, whose grants you've cut and who are cash-strapped and whom you don't want to raise taxes. I don't know where the money comes from, but it looks good. But what's that against? That's against cuts of \$432 million to the school system. You take out \$432 million and then say maybe

up to \$20 million will go back in, and you make it like a goods-news announcement. People are not stupid; people can see the shell game that's going on here. I say again that this is smoke and mirrors, and there's example after example of this.

Health care: Let me talk about the health budget for a moment, because this one's really interesting.

One of the things that was missing in the budget document is any clear information about how the government was actually going to achieve its fiscal target, the fiscal target being the deficit numbers you've set out. You've got revenues projected on a very, very slow incline. They would've increased much more because of economic growth, but because you've given a 30% tax cut, that takes away those revenues; revenues are not going to grow in a way to make up for the problem. You've got \$8 billion that you say you're going to cut, yet we've got areas where we see the supposed reinvestments happening, and economic growth is slower than you projected in the Common Sense Revolution.

We've said all along the numbers don't add up. Well, they still don't add up. You've got these projections here of what your fiscal plan looks like, and it's very difficult to tell upon what these projects are based because once again the Ministry of Finance has not produced the normal kind of information that would accompany a budget.

Let me just give you a very practical example: the Ministry of Health, a \$17.4-billion budget, a sealed budget, as we have heard. We heard much in the minister's speech that the budget for this year at least, for 1996-97, is forecast at \$17.7 billion; that with an extra \$300 million there, that's an increase. I'm not going to quibble about this. I'd just point out to you that the 1995 actual budget was \$17.9 billion, so a \$17.7-billion budget is actually still a decrease from what was being spent in the province. But I accept the point that your commitment was on a \$17.4-billion envelope.

It is interesting to watch the history of this, because it was very clear during the election in the Common Sense Revolution. "Absolutely not a penny will be cut from health care: \$17.4 billion. It's a sealed envelope." Then we saw the announcements last year, the expenditure reductions, and we saw \$2 billion cut from the health care budget. Of course the opposition and people in the province of Ontario responded immediately, very critically. "You promised you weren't going to cut health care." It was one of the sacred promises of the Common Sense Revolution: "Not one penny," you said, not one penny, because it's too important.

When we pushed the ministers on that, we had the Premier, the finance minister and the Minister of Health stand and say, "No, no, our promise was that by the end of the mandate, by the time we go back to the people, it will be \$17.4 billion." Oh, the laughter on this side of the House and the laughter —

**The Acting Speaker (Mr Gilles E. Morin):** I don't accept that. Please.

**Ms Lankin:** I don't know what was happening back there, Mr Speaker. Unacceptable behaviour? Okay.

The promise was changed over that period of time. In the election, as I was saying, it was a sealed envelope of



\$17.4 billion and not a penny would be touched. Right after the election, \$2 billion was cut. Opposition raises these issues and there's criticism and the public is concerned, and the government repositions the promise. They say, "No, no, our promise was \$17.4 billion by the end of our term when we return to the public." We point out once again that that wasn't an accurate representation of the promise that had been made during the election campaign in the Common Sense Revolution, and the public starts to agree, and the pressure starts to mount.

Then the government all of a sudden changes its position again and comes back to saying, "No, no, it's a sealed envelope, and it will be this year and next year and every year of our term." Now we've got the government back to the promise of the Common Sense Revolution that there will be a \$17.4-billion budget. Okay. But \$2 billion was announced in terms of cuts. We hear a commitment in the budget, and the forecast is there for \$17.4 billion, that that money is going to be reinvested in the health care budget.

1600

**Mr Chris Stockwell (Etobicoke West):** It is; it is.

**Ms Lankin:** The basic problem, I say to the member for Etobicoke West, is that the \$2-billion cut was also applied against the deficit, the bottom line. You can't spend the money twice. I'm left trying to figure out, where did this \$2 billion go? If it's not going to be cut from the Ministry of Health, if it's going to be reinvested in the Ministry of Health, and yet you've reduced the deficit by \$2 billion because of that, you've got a problem in the plan.

I've been thinking about this, I've really been trying to work it through, and I've come up with three possible solutions. Help me with this. We'll walk it through and see if it works.

The first one: You don't really intend to spend \$17.4 billion on health next year. That's the budget forecast, but we all know that there is a budget forecast and then, at the end of the year when you do all the accounting, there is the actual. Is that the case? Are you really going to spend \$17.4 billion? I have members across assuring me yes. I hope some ministers will nod their heads.

Oh, good. We've got those little dogs that bob in the back window there. The Minister of Health says that \$17.7 billion not only is forecast for the Ministry of Health but will be spent in the Ministry of Health.

But now we've got the \$2-billion problem left over.

The second solution could be that the deficit will be \$2 billion higher than you projected. Is that possible? Is that an answer? The Chair of Management Board's here. Maybe I could get him to nod his head yes or shake his head no. Will the deficit be \$2 billion higher than you projected?

**Hon David Johnson (Chair of the Management Board of Cabinet):** We're bang-on this year, spot-on.

**Ms Lankin:** We're getting a no, so that \$2 billion is not going to be added to the deficit. You're still going to meet the deficit targets.

I'm still stuck. There's \$2 billion missing in the government's fiscal plan.

**Mr Stockwell:** What's the third option?

**Ms Lankin:** The third possibility is that there is going to be — this is back to my shell game theory, I say to the member for Etobicoke West. We've heard some evidence of this — rumours, rather, not evidence, not hard evidence. We've heard some rumours of this, and we'll see soon; the proof will come. We have heard that the government is going to take activities like children's services that are currently in the Ministry of Community and Social Services and that have budget lines attached to them and move those over inside the sealed envelope.

You see, the sealed envelope has some holes in it. Some money has gone out that's been applied against the deficit and some money is going to come in that's already attached to other services and other budget lines. In fact the \$17.4 billion or \$17.7 billion is not going to remain being spent on existing health services in the province. You're going to change the name of some services that are currently with community and social services, another ministry, and move them in under the Ministry of Health.

You couldn't do that, could you? That would be a horribly cynical version of the shell game if you were to do that. The ministers have been very cooperative in shaking their heads. Maybe I could get the Minister of Health to assure me at this point in time that that sealed envelope is not going to have anything transported into it from another budget, another ministry. I'm waiting for the minister. The minister is not nodding his head.

**Mr Stockwell:** They don't know. They haven't been told yet.

**Ms Lankin:** I think I'm on to something, I say to the member for Etobicoke West. I think we're getting someplace here.

Of course, there is a fourth possibility. I said there were three, but I've been thinking about it a lot and there actually is a fourth possibility, and that is that the other \$2 billion is going to have to be found across a whole range of other ministries' activities, that in addition to the \$8 billion you've already cut, you have to find another \$2 billion in expenditure cuts.

As I said yesterday here in this House to the Minister of Finance, there are more cuts to come. You notice that yesterday the Minister of Finance did not respond with a yea or nay. I asked him to either assure us that there would be no more cuts or at least say there may be some more cuts.

The Premier has been much clearer on this issue. After the November expenditure cuts, the Premier said very clearly: "That's it; not another cent to be cut. We've got the spending problem licked in this province. No more bad news; no more cuts to be made." Interesting, but the Minister of Finance wouldn't confirm his Premier's statements yesterday. I found that one of the most interesting exchanges — not by what he said, but by what he wouldn't say. Often, if you listen carefully, you learn more by what ministers refuse to say than by what they do say.

Again to the members opposite, you really don't have control of what's going on in government at this point in time. You've got changing priorities and changing policies, and you're scrambling to meet the polls and the sense of vulnerabilities and to cover up problems. You've



got a \$2-billion problem of money that you cut from health care, which you've now made a promise you're going to reinvest, but you also cut it from the bottom line of the deficit. You've got to find it somewhere. Either you break your promise on health care and you spend less; or you import a whole bunch of expenditures and programs from other ministries and pad them into the Ministry of Health and try and say you've met your commitment; or you miss your deficit target by \$2 billion; or you find \$2 billion in additional cuts from other ministries like the Ministry of Agriculture, Food and Rural Affairs, like the Ministry of Northern Development and Mines, like the Ministry of Environment and Energy. Across ministry after ministry, you send them back to the table to find more cuts.

It's going to be an extraordinary job, because they haven't even finished finding the \$8 billion you've targeted. You've made all these announcements, and the great rollout by the Chair of Management Board of the non-business-plan business plans. Remember the business plans that came? We said, "But there's no detail," and they said, "Well, they're only the summary of the business plans." We asked for the business plans and they said, "Well, we haven't finished them yet." How can you have a summary of the business plan when you don't have the business plan?

**Hon David Johnson:** It's called work in progress.

**Ms Lankin:** So they said, as he's saying across the floor from me right now, "Well, it's work in progress, and you'll get it with the budget." The budget's come and gone; we don't have it yet.

I've been talking to a lot of people in ministries, and the bottom line is that they don't have a clue yet where many of these cuts are going to come from. The 10,600 layoffs the Chair of Management Board announced, those ministry employees are still waiting to find out where those jobs are going to be cut in their ministries.

The employee relations committees — management and union sit down and meet and discuss these things — on both sides of the table have got their hands up in the air, saying: "We don't know what the government's doing. We don't know where the cuts are coming from. We know what the targeted amount of money is. We have no idea what department and budget lines it's coming from in our ministries, and we don't know who it is who's being laid off."

What a way to run a government. This is a government that is scrambling to catch up with its own mouth. You're out there with the communications lines; you're out there so busy spin-doctoring. It would be nice if your cabinet would spend a bit of time back doing its work and get the decisions taken and clear up for people, bring some surety to this process for people, let them know what's happening and what it means to their lives. I find it quite extraordinary and I think it is indicative of a lot of incompetence in the way in which the government is being run at this point in time.

As we look at this, we can see that the overall approach of this government with respect to this budget was to try and present it as a good-news budget. We can see that as the government cuts its spending over the next number of years to pay for the tax cut, and while it's

moving to eliminate its deficit at the same time, it is going to have a very significant impact on the economy of this province.

The tax cut is not going to stimulate the economy, is not going to produce the jobs the government promised. If you work tediously through the numbers in the budget, you can see the proof for that. On the other hand, we know that the \$8 billion that is already announced as going to be cut from the budget, plus another \$2 billion now that is free-floating and has yet to be assigned, is going to take real money out of real programs and services to people, is going to cause layoff of civil servants and workers in the broader public sector to the tune of about 100,000 people.

We know that those people who are waiting every day to find out the details of the pink slip are not out there spending. Is it them? Is it their co-worker? Is it going to affect their family, their neighbourhood? This tax cut you have promised is being eaten up by user fees, by increased property taxes, by increased licence fees. There is no economic stimulus with that. It doesn't work. The basic plan doesn't work.

**1610**

Our concern is that the government is proceeding along a line based on an ideological commitment and a blind belief in a document called the Common Sense Revolution, one document whose numbers have been I think rightly challenged, whose numbers have been shown by the fullness of time and what's been revealed in the budget of Ontario that was presented on Monday to have been incorrect, to have been wildly exaggerated, to have been based on a hope and a prayer, not on any kind of sense of the real economy of Ontario.

The belief that the government seems to have that lower income tax is a solution to economic growth is really naïve and it really ignores all of the economic evidence to the contrary. But even if that were true, it is not true when you counterbalance that with the kind of expenditure cuts that you've made and cuts in transfer payments to your municipal partners and school boards and others, because in the real world out there, as much as you want to turn a blind eye to it, as much as you want to distance yourself from the actions of municipalities and school boards, in the real world, where they have already gone through several years of making extraordinary efforts to end duplication of administration, to get the fat out of the system and to cut unnecessary expenditures, the bottom line is now with the cuts that your government has made in transfers to those partners out there in the broader public sector, they have no options left but to raise municipal taxes, property taxes, to introduce new user fees.

I don't know how you believe you can distance yourself from this when your Bill 26, the omnibus bill, actually gave the licence to the municipalities to do that. You created the mechanism for them to do that, so your ministers knew well what the impact of these cuts was going to be.

They're raising property taxes, they're raising user fees, they're introducing new user fees on a whole range of services in municipalities. Where garbage was collected and previously there had been no charges, there are



new per-bag charges being introduced; user fees for uses of library services where there weren't before; for many recreation services. You're really affecting the pocketbook of those middle-income taxpayers that you say you've designed this whole tax cut for.

We spent some time in question period today and have provided the information that shows how in fact in the first year of your tax cut, people are going to be out of pocket. Just let me give you some examples. In the budget document, your government produced some examples of the kind of tax cut money that people were going to receive. So we've taken those exact examples and have gone to communities and taken a look at what's happened in the municipality and what kind of changes around property taxes or user fees have been put in and done the calculations to see what the person ends up with.

Let me give you an example: a Sudbury couple with two children, one income of \$25,000. In 1996, the tax cut they're going to receive is a total of \$22 for the year. This is a fairly low-income family. It's \$1.70 every two weeks. In Sudbury, the new fees they're going to have to pay as a result of your government's cut in transfer payments add up as follows: \$75 more per year for property tax and \$76 more per year for public transit fees. So the real impact on that family is that they're going to be \$205 worse off after your budget of Monday than they were before. The Premier did promise that everyone would be better off Tuesday than they were on Monday. Not this family in Sudbury.

Another example: in London, a single student who's just getting married and has an income of \$35,000. The tax cut for 1996 is going to produce for that individual \$105. That's \$8.07 every two weeks. In London, however, municipal governments and others have made some decisions with respect to the services that they provide and as a result of the cut in transfers from the province to the municipality of London, that single student is now going to be paying \$61.74 more for property taxes, \$22 more for the marriage licence they're just about to purchase and \$84 more for tuition fees because of the cuts in transfers to the University of Western Ontario. The real pocketbook impact for that student in London is a decrease of \$62.74. They're not better off after this budget.

Example 3: Metro Toronto, single mom, two children, with an income of \$30,000. I just remind you that I'm not making up these examples. These are the examples that you put out in the budget document. These are your examples. This person lives in Metro Toronto. In 1996, the tax cut, according to your numbers that you put out, that this person will receive is \$45 for the year. That's \$3.46 every two weeks. New fees: \$29.72 more per year for property taxes, and \$344 more per year for public transit fees. The real pocketbook impact of your government's budget on that single mom living in Metro Toronto with two children and the income of \$30,000: She's losing \$328 a year. She's worse off after your budget; she's not better off. It's quite extraordinary.

It is interesting that the higher you go up the income level, however, there are some people who end up being better off. In fact, the 10% wealthiest in this province end up quite well off as a result of your government's budget.

It comes back to the decision of who you're going to benefit as a government. You get to have a choice in this. As a government, you get to decide, on behalf of whom you are governing, who is going to benefit from the decisions that you are taking. You can ensure that the broad public of the province of Ontario benefit from the decisions of the government or you can decide, as it appears very clearly you have, that you're going to target the wealth and the goodness and the giveaways from this government to the wealthiest people in this province; and the most vulnerable and the poorest, let them fend for themselves.

All of the cuts that have been made you somehow tried to distance from this budget. I think that was the other very cynical aspect of the communications effort that went on here. I note that in the budget you listed and relisted a whole lot of announcements that you've already made. In the area of health, for example, you talk about \$170 million to provide seniors and people with disabilities with care at home. This was less money than was in the budget for expansion of community-based services. So you cut back the budget, you announced the \$170 million, you made it sound like a new investment, but you already announced that before.

The immunization of school children against measles and some other immunization programs, you'd already announced it. Let me see, what else here? There's \$25 million to help hospitals serve areas of high population growth; you'd already announced that. Expanding emergency paramedic services; you'd already announced that. Reinvesting funds to allow patients with acquired brain injuries to be treated in Ontario; you'd already announced that. I started that, by the way. I think it's a good announcement. I'm glad you continued with it, but you'd already announced it. Emergency services in northern and rural hospitals by sessional fees; you'd already announced that.

Isn't it interesting how you reiterated, reannounced, recycled, reused every single, small thing you could do which you could use to try to put a good news cast on this? But somehow there isn't a mention anywhere in this document of the details of the \$8 billion in cuts. Funny that it's not contained in this budget document. I mean, what is a budget about? It's about the government's expenditures and the government's revenues and the plans to change both of those. But it's missing. It's empty of any of the information. All of the pain, all of the hurt, all of the negative impact from the decision of \$8 billion in expenditure cuts: not here.

I think people will see through that, and I don't think the people will believe the Premier of the province for one moment when he says that the tax cut is not related to the expenditure cuts or that the budget doesn't have anything to do with the decisions that have been taken on the expenditure side. Just because you refused to talk about it on Tuesday when you introduced the budget doesn't mean it's not part of the reality of the province of Ontario, and it doesn't mean you're not going to be hearing about it from your constituencies day after day after day as they start to feel the impact of those cuts, as the real services that those families rely on disappear in the province of Ontario.



There is so much that is happening. These cuts are to the sorts of things that have provided a sense of dignity and life to many people with disabilities, for example; a sense of security in life for many people like seniors in terms of access to very medically necessary drugs; importance in terms of children and justice for children. When you've made the cuts, these are the people who are being hurt.

1620

I think it would be worthwhile in the closing minutes that I have here to reiterate what some of those decisions were. You refused to talk about them on Tuesday in relationship to your budget, but I think they are very much related to your budget and I want to take a moment and just run through some examples. I can't do the whole \$8 billion, because quite frankly we haven't seen all the details yet, but there are some things that we know.

For example, Mike Harris cut social assistance benefits on October 1, 1995. As a result of that, the number of children using food banks in Metro Toronto, Durham, York and Peel regions has increased by 68%. That's the real impact of the decision that your government made and that many of you applaud and apparently are still applauding.

What else happened as a result of that? Evictions in Metro Toronto were 33% higher in January 1996 than in the previous January. Today, the largest group of children in Metro Toronto area shelters is aged 5 and under. These are real kids out there who are hurting, and hurting as a result of your government's decisions.

Poor children, we know, have worse health, they do worse at school, they suffer neglect more frequently and they're more at risk of abuse. Poverty has a lifelong effect. There's a whole generation of kids who are being affected by the decisions of your government and by the cuts that have been made.

Let's take another example. The government has made it much tougher for parents to help their kids get a head start by making junior kindergarten optional and essentially abolishing it in most parts of this province.

More than \$1 billion in education cuts, by the time the minister is finished, will be felt in, for example, larger class sizes, fewer aides for children with special needs, user fees for textbooks and other educational necessities. Yet, again, one of the essential promises of the Common Sense Revolution was that your cuts wouldn't touch classroom education.

There are thousands and thousands of teachers who have received their layoff notices. Those teachers work in classrooms. When those teachers are gone, in order to continue to serve the kids in this province you're going to have massive classroom sizes, the number of kids in there. You know that teachers can't continue to provide the same quality of education on that kind of teacher-pupil ratio. You know they won't be able to give the individual attention that's required to recognize the problems in early intervention and give the kids the help they need. Of course you're affecting classroom education, and those kids are going to pay for years to come.

Cuts to children's aid societies mean increased caseloads and fewer services, including family preservation, parent support programs, services to adolescents in

the community. Sexual abuse treatment programs have been cut back, early intervention programs have been cut back, special needs arrangements for developmentally handicapped children have been cut back, and support to foster parents has been cut back — kids again being affected, being hurt by the government's decisions with respect to these cuts.

There are more than 6,500 children on waiting lists for children's mental health services, and the average waiting list time is six months. Your cuts to those agencies are going to make those waiting lists grow. Of course, one of the effects of untreated children's mental health problems can be, later in life, criminal behaviour. On average, it costs less than \$2,500 a year to provide a child with mental health services, but it costs \$45,000 annually to keep an offender in prison.

Think of the long-term effect of the decisions you're taking. Think of the costs you're building into the system downstream in terms of poorer health, in terms of less education, in terms of less ability to get and keep a job, in terms of problems in the criminal justice system. Think about all of those things.

Your decisions are affecting people. Your decisions are affecting kids. I've only given you a few examples with respect to kids, but it's pretty clear that the direction you're going is harmful to the future of our province and the future of the economy of our province, to families, to communities, to children in particular.

I think it is not honest to say there is no relationship between the tax cut and the spending cuts. I think that's not being honest with the people of Ontario. If you believe so strongly that your economic plan is good for the province and that it will work, then I think you should at least be straight up and say, "We think you've got to take this pain in order to get the good that's going to come out at the other end," but your numbers in your own budget show that you've given up hope in terms of the 725,000 jobs, you've given up hope in terms of the economic stimulus that will be produced by your so-called economic measures and the tax cut, and so you're spending more time on cynical manipulation of communications to try and convince people that these are separate issues, that they're not related.

I say there is one expenditure number, there is one revenue number and there is one deficit number, and the three of them are pretty seriously related and you can't separate them out. The bottom line is you are proceeding with a tax cut that is going to benefit the wealthiest in this province the most, that is not going to produce an economic stimulus, that will not produce the jobs. You're proceeding with cuts to the tune of \$8 billion minimum, with more cuts to come to pay that off, to make the fiscal room for that while you're trying to reduce the deficit. That money is coming out of the economy. It's creating a fiscal drag in the economy. It's putting people out of work. The overall combination of the two, economists project, will create a loss of 100,000 jobs in the province of Ontario. You risk pushing us back into a recession. This is not a commonsense economic approach. This is not an approach that will pay off for the people of Ontario. The fiscal plan that you're putting in place, I



think with time people will see for what it is. It is bad social planning and it is bad economics.

Before I finish, I want to take an opportunity to contribute to the ongoing debate on this budget document by moving an amendment to the motion, and I would like to move that the amendment to the motion be amended by adding after the word "losers" the following: "and

"That the economic projections announced by the Minister of Finance reveal that the tax cut will not deliver the promised economic growth and will only serve to add to the accumulated debt of the province; and

"That since the government plans to take another \$22 billion out of the revenue base, it must cut expenditures further in order to balance the budget; and

"That more cuts will result in further erosion of Ontario's economic growth potential and a further decline in revenues; and

"That the result of the budgetary policy tabled by the Minister of Finance is contradictory to the government's stated objectives of providing for economic growth and an increase of 725,000 jobs;

"Therefore, this House no longer has confidence in the government."

**The Acting Speaker:** Ms Lankin moves that the amendment to the motion be amended by adding after the word "losers" the following: "and

"That the economic projections announced by the Minister of Finance reveal that the tax cut" —

**Mr Stockwell:** Dispense.

**The Acting Speaker:** No, no. It's too important an amendment — "will not deliver the promised economic growth and will only serve to add to the accumulated debt of the province; and

"That since the government plans to take another \$22 billion out of revenue base, it must cut expenditures further in order to balance the budget; and

"That more cuts will result in further erosion of Ontario's economic growth potential and a further decline in revenues; and

"That the result of the budgetary policy tabled by the Minister of Finance is contradictory to the government's stated objectives of providing for economic growth and an increase of 725,000 jobs;

"Therefore, this House no longer has confidence in the government."

Let me explain why the Speaker has to read the amendment. This is the only occasion — during a budget debate — that the Speaker has to read the amendment. No "dispense."

Member, carry on.

**Ms Lankin:** Thank you, Mr Speaker. I agreed with your first explanation, that this is too important an amendment, and it is, because fundamentally — this will come as no surprise to the members opposite — there can be no support from this side of the House for this government's budget. Fundamentally, we believe you are headed in the absolute wrong direction, that you are endangering the economy of the province of Ontario, that you are in danger of pushing us back over the cliff into another recession, that you are destroying the fabric of communities by ripping out the social infrastructure that has been provided by governments of all political stripes,

that you are hurting families, you are hurting kids, and you are doing it all in the name of an ideological belief in a tax cut, 50% of the value of which will flow to the 10% wealthiest in this province.

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Some of you know some of those 10% wealthiest. I find it extraordinary that you could believe they are worthy and deserving of that refund from government revenues at the cost at which it will come: at the cost to the disabled person who will no longer have Wheel-Trans to be able to go to work, to be able to participate in the full life of the community; at the cost to seniors who may not be able to afford the necessary medication they need to live a healthy and independent life outside of institutions; at the cost of more and more families who are being evicted from their homes, who are going homeless; at the cost of kids who are lining up at food banks, who are going hungry.

Think about who benefits from your budget, and think about who's paying the cost of that. The balance is wrong. The approach is wrong. The impact on the communities of our province and the families of those communities is wrong.

I say to the members opposite, you have a choice. You can pursue a fiscally responsible agenda that still shows that you care about people and that you're not simply padding the pockets of the wealthiest in this province.

I say shame on your budget. Shame on the approach of your government. Shame on the cynical attempt at manipulation of public opinion with a communications document that was carefully crafted to make it seem like it was a feel-good, do-good budget. Shame on the smoke and mirrors approach which attempts to separate the real impact of very difficult cuts, the impact on people, from the giveaways to the wealthy. Shame on the whole lot of you.

This is a sad time in the province of Ontario with a government firmly ensconced, in control of the direction, 10 months into their office, their first budget having brought such pain on so many people. I only hope you will think about it. I only hope that with time, as your term in government continues, you will see how wrong-headed this is and you will find the sense to restore not just the services and the help that many people who have been reliant on them need, but a sense of hope and vision for the province, a sense that there will be a place for all the people of this province to find the economic security that they want for themselves and their families, the better tomorrow that they want for their kids.

#### NOTICE OF DISSATISFACTION

**The Acting Speaker (Mr Gilles E. Morin):** Pursuant to standing order 34(a), the member for Sault Ste Marie has given notice of his dissatisfaction with the answer to his question given by the Minister of Economic Development, Trade and Tourism concerning cuts in services and jobs. This matter will be debated today at 6 pm.

Pursuant to standing order 34(a), the member for Cochrane South has given notice of his dissatisfaction with the answer to his question given by the Minister of Transportation concerning comments respecting Timmins. This matter will also be debated at 6 pm.



## 1996 ONTARIO BUDGET (continued)

**Ms Isabel Bassett (St Andrew-St Patrick):** I'm honoured and pleased to speak in favour of this good news budget. It's the first budget in 25 years to reduce personal income tax in the province of Ontario. As a politician, I welcome it. It delivers what it promised, a tax cut. It also fulfils another promise, to abolish the employer health tax imposed by the Liberals in 1989. So rarely do politicians deliver what they promise that this budget, I believe, should be there to restore some faith in the political process.

As a citizen, I celebrate the good news budget. It marks a milestone in modern Canadian politics. It's a budget that reduces taxes rather than raising taxes. It represents a psychological turning point in giving beleaguered taxpayers a break. It also contains no new spending cuts. It has innovative initiatives that will work to create jobs and restore prosperity to Ontarians. These initiatives range from helping small businesses get loans from banks, helping students in co-op programs to get job placements, helping students get summer jobs and helping people with disabilities, as well as seniors, to be cared for at home rather than in institutions.

I am particularly pleased with other initiatives that are close to my heart: The addition of \$200 million to child care spending in this province which will bring spending in that area up to \$600 million, which is the highest ever in the province of Ontario. I am pleased about the \$170 million set aside to enable seniors and the disabled to be cared for at home rather than in institutions. I am pleased about the \$10 million set aside for preschool children with speech and learning disabilities. I am pleased about the increased funding for early detection of breast and ovarian cancer. I am pleased about the increased funding for prenatal programs for pregnant women and women with young children. I am pleased about the \$5 million set aside in startup funds for nutrition programs for small children. And I'm pleased about the \$10 million for helping the volunteer sector.

I am also pleased with the initiatives that are of special significance to my riding of St Andrew-St Patrick and to Metro Toronto. These include the tax credit for film and TV productions in Ontario which will be doubled for those making their first commercial film in Ontario. This initiative has already been welcomed by Michael Mac-Millan of Atlantis Films and many other film producers and makers.

I'm also pleased that the finance minister has promised to lower property taxes for hotels in Metro, a tax that penalizes a sector of our economy that brings in millions of tourist dollars and which, like the film industry, provides thousands of jobs.

I'm delighted as well, as parliamentary assistant to the finance minister, to have had the chance to play a small role in obtaining crown foundation status for our major cultural institutions. We heard from 27 groups from cultural, health, philanthropic and volunteer organizations in the province and at this time I am pleased that the finance minister has expanded his November 29 list to now include the Big Five cultural institutions.

The announcement has already been applauded by Valerie Wilder of the National Ballet of Canada, by Elaine Calder of the Canadian Opera Co, by Stan Shortt of the Toronto Symphony Orchestra, by Max Anderson of the Art Gallery of Ontario, by John McNeill of the Royal Ontario Museum, by Colleen Blake of the Shaw Festival and by Richard Monette of the Stratford Festival.

These institutions are great cultural treasures and would be worthy recipients of major philanthropic gifts as crown foundations and such gifts will help them continue to play an integral part in the cultural and economic life of the province by providing jobs and by attracting tourists along with the many spinoff effects that tourists bring.

But today I am particularly eager to address the broader issues that this budget represents. The tax cut fulfils the third pivotal promise of the Common Sense Revolution geared to put Ontario on the road to fiscal recovery.

First, we have already moved to bring austerity to government, as promised. Second, we have already moved to remove barriers to job creation by killing Bill 40, freezing hydro rates, reducing payroll taxes and by beginning to reform the Workers' Compensation Board, again as promised. Now we are moving to lower personal income taxes, as promised.

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There is no parallel in modern history of a government doing so much in so little time exactly as it promised. Yet we have the strange anomaly of the opposition attacking the government for living up to its words and fulfilling its promises. The Liberals and the NDP are complaining that this government has not reneged on its promises. The opposition is also very unhappy that the people of Ontario are getting a tax break. Instead of rejoicing for the taxpayers, the opposition is begrudging them their modest gains. Maybe the NDP and the Liberals are so ideologically addicted to a policy of tax and spend that they have failed to notice that the world has passed them by.

Most governments of all political stripes in Canada, across North America and across the entire industrialized world are embarking on a new course: spending less, taxing less, regulating less and privatizing more and more of their services. They are doing it because they have been forced to do so by their high deficits and debts. And they are also doing it in order to compete in Canada, in North America, across the west and in fact anywhere else in the globe.

Every time that an Air Canada jet takes off from Pearson airport with an editorial or a printing job for a press in Hong Kong to be flown back within a week, we here in Ontario have lost out on jobs. Every night when data are put on the satellite from Toronto to be processed overnight in Bangalore, south India, or a software program to be written there and brought back the next morning, we in Ontario have lost out on jobs.

We may not be able to compete on wages, but we can improve our effectiveness in the international marketplace if we reduce our payroll and personal taxes and provide some relief to our businesses and their employees. We are doing just that. The measures announced in our budget



will help us keep step with our competitors around the world.

Just last week Germany announced spending cuts of almost 2% of the GDP for the next year. Earlier, France announced plans to reduce public spending, including sweeping changes to its health care plans. Across Canada, the federal and many provincial governments — Liberal, Conservative and NDP — are all slashing expenditures and are moving towards balanced budgets. Only last week, Nova Scotia announced plans to lower its income tax rate by 3.4%. Alberta, Saskatchewan, Manitoba and BC are all planning similar tax cuts. In short, in Ontario we need an income tax cut. Thanks to the NDP and Liberal governments, Ontario is the second-highest-taxed jurisdiction in North America. Ontarians are overtaxed and they want a tax cut. They want tax relief. And now they are going to get it.

Business associations welcome it. The Investment Dealers Association of Canada welcomes it. The Retail Council of Canada welcomes it. The Ontario Chamber of Commerce welcomes it. The Canadian Federation of Independent Business welcomes it. The Canadian Manufacturers' Association and the Ontario Taxpayers Federation welcome it, and the Greater Toronto Home Builders' Association welcomes it.

These initiatives will not come at the expense of the government's overall fiscal plan. We are operating on target. Even the bond rating agencies are satisfied that this government can provide the promised tax relief and reach its deficit targets. None the less, the opposition has been trying to lay a guilt trip on working and middle-class Ontarians about the tax cut that not only is needed but is ethically and morally sound. We do not and should not apologize for giving tax relief to the people most disproportionately hit by the 65 tax hikes imposed by the Liberals and the NDP in the last 11 years, including 11 increases in personal income taxes alone.

Ninety per cent of taxpayers earn less than \$68,000 a year, and the tax cut will benefit them. In fact, combined with the health tax levy, the tax cut has progressivity built into it, so by the time the full 30% tax cut is implemented, more than 60% of the relief will go to those earning below \$50,000 a year. Only one fifth of the tax cut, 20%, will go to those earning between \$50,000 and \$75,000 a year and a mere 16% will go to those with gross incomes of more than \$100,000. The majority of Ontarians are taking home less today than they did in 1985, thanks to the past two governments' policies which have led to a lack of mobility and spending power in the middle and lower classes. Our tax cut aims to change this.

Although there is some debate on how stimulative a tax cut might be, there is no debate on the fact that our economy has been driven largely by our strong exports. Internal consumer demand, which drives 60% of our economy, unfortunately is still very soft. We need consumer confidence back to stimulate the domestic economy. We can argue about how much of the tax cut people will spend or how much they will save or how much they will use to pay off their debts or mortgages, but whatever they do, they will do it better than government. Money in the hands of the people is much better,

infinitely better than money in the hands of bureaucrats. Moreover, there's nothing more apt economically and ethically than returning cash to those to whom it belonged in the first place. There's ample evidence in the United States and elsewhere that tax cuts end up stimulating the economy, and our tax cut aims to do exactly that.

In providing a tax cut, this government has taken a moderate, middle course. It has charted a path between those fiscal Conservatives who want to apply all the expenditure savings to paying the deficit and those like the NDP and Liberals who neither want to cut expenditures nor trim taxes. The Liberals and the NDP are taking this position in the name of social justice but, as I have said in this House before, they have no copyright on compassion. There is no social equity in their tax-and-spend strategy or in continuing their course farther into the damaging waters of high spending, high taxes, a high deficit, high unemployment and high welfare rolls.

In the name of social justice we must reform the overbloomed modern welfare state to save it, to preserve priority services such as health care, services for seniors and the disabled, child care and the justice system, the very services this budget protects that we so value in Ontario. That is the moral and ethical course to take.

This budget, with its emphasis on job creating strategies, less spending, lower personal income taxes, lower payroll taxes, less bureaucracy, more entrepreneurship and greater incentives for investments will turn our ship of state around, away from the economic upheaval and social uncertainty that have plagued us, and take us to the tranquil waters of steady economic progress and social justice.

1650

**The Acting Speaker:** Questions or comments?

**Mr Gerry Phillips (Scarborough-Agincourt):** Actually, I can scarcely believe you read that, because it's not like you. I don't know who wrote that.

*Interjections.*

**Mr Phillips:** I'm serious. I have a good deal of respect for that member, and that was nonsensical rhetoric. It's just not like her.

If you're very pleased, and I gather from your comments you are, as we all know from dealing with our own constituents — I'll give you an example. I have an older couple in my constituency who have been cut back in support from \$1,000 a month. They are broke, bankrupt, can't get a job, about 60 years old. They were getting \$1,000 a month. They're being cut to \$800 a month. They have to now go out and find a basement apartment, and why? Because I gather you are strongly supportive of dealing with the deficit by giving someone making \$150,000 a year a \$5,000 tax break.

If you're very proud of and pleased with that, if that's how you're dealing with the deficit, I have a different opinion of this society. If you're very pleased that the hospitals are going to be cut by almost 20% over the next three years to fund this tax cut, I have a different opinion of this society.

**Mr Klees:** You sure do: Spend.

**Mr Phillips:** I understand the member in the back who's barracking, because he's one of the true believers



in this, but I never felt you were one of the true believers.

If you believe that we need to cut educational spending by one quarter, about 25% of the province's support for education across this province to fund this tax cut, then you and I have a very different opinion about the future of this province.

While you may be proud of this budget, I personally think it's heading us down the road to very serious problems. I was surprised to hear what I would regard as the extreme rhetoric from the member. I can't imagine she wrote that. If she was saying her own words I think she'd say something quite different.

**Mr Tony Martin (Sault Ste Marie):** In the couple of minutes I have, I want to very seriously and sincerely ask the member where there's anything ethical or moral in taking 21.6% out of the take-home pay, so to speak, of the very poorest among us; where there's anything ethical or moral about taking some of the most committed, hardworking, sincere and serious workers in communities like Hamilton and Sault Ste Marie and Toronto and Windsor, who work for the public service, who have honed their skills, who have gone back to school, who have invested time and energy so they could become the best they can be, and just summarily kicking them out of work. One day they're working; the next day they don't have a job.

These people are attached to families, families who need the support they provide by way of the work they do. These people belong to communities that depend on the contribution they make, not only by the direct work they do in the jobs they have as civil servants and teachers and nurses and, God forbid, even doctors; the communities are dependent on them for the very life we all collectively and communally put together so that everybody can have some sense of belonging and dignity and some opportunity.

How can you take money from the poorest, take services away from the poorest, kick excellent, hardworking people out of their jobs and somehow call that moral or that there's ethics connected to it in any way, for the sole purpose of giving a tax break to the very rich?

**Mrs Marland:** It's very difficult to sit in this House and listen to a lecture from the member for Sault Ste Marie on what is ethical and what is moral in terms of being forthright and upright in making policy decisions for the future of the people in this province.

I would like to commend the member for St Andrew-St Patrick on her speech this afternoon. I felt she was very succinct.

When you talk about everything being taken from the poor people, I simply throw that back to the critics in both the Liberal Party and the New Democratic Party and ask them who it is they think government assists in the first place.

The point is, if we look at where we are today in this province, spending \$9 billion on interest, \$9 billion that just goes right out the door, that is more than we spend on all the schools, all the universities and all the colleges in this province. It's also more than we spend operating all the hospitals in this province. If the opposition feels

it's fine to spend 20 cents out of every dollar on interest, we're simply standing up as a government and saying, "No, we can't afford that," because another 10 years from now we're going to be in a situation where we can't even offer the most basic health care and educational programs in this province.

You talk about affecting the poor. What we are doing is driving the economy in this province and creating jobs which in turn give the poor an opportunity to work, which is more than that government did for the five years they were in office. All they did was put government money into creating jobs, and when the government money ended, the jobs ended.

**Ms Annamarie Castrilli (Downsview):** I have to say to the member that her presentation today was courageous. I cannot believe for a moment that a reasonable, compassionate, honourable individual as she is could utter the kinds of words she did without feeling just a twinge of remorse.

**Mr Stockwell:** What a load of hooey.

**The Acting Speaker:** The member for Etobicoke West.

**Mr Stockwell:** Do you think you've cornered the market on compassion? Do you really believe that?

**The Acting Speaker:** The member for Etobicoke West, please remain quiet.

**Mr Stockwell:** When did you corner the market on compassion? When?

**The Acting Speaker:** The member for Etobicoke West, if you want to leave the House for a minute, you could do so.

**Ms Castrilli:** What this budget really does is not at all what has been presented this afternoon. What this budget really does is shift the balance in society even more than what we've seen to date. What it really does is not just attack the poor and give to the rich, but it's a real attack on the middle class, those individuals who pay the taxes, who create the jobs, who work every day. It is those individuals who in the end will have far less to contribute and to pay. That's what this budget does.

There is nothing in this budget which talks about creating opportunities for that very vital sector. There is nothing in this budget which promotes jobs and employment in a very real way. There is nothing in this budget which even addresses some of the very essential issues this economy must take cognizance of, such as technology and education. It ignores the reality around us. It ignores the world around us. It is a budget which is set on one ideological course, which is to benefit a very small segment of society. I really cannot applaud the member for her statement.

**The Acting Speaker:** The member for St Andrew-St Patrick, you have two minutes to reply.

**Ms Bassett:** I must say to the honourable member for Scarborough-Agincourt that he said he was disappointed in me; I'm disappointed in the honourable member, because you obviously haven't been reading my other speeches in Hansard that say exactly the same thing, almost in the same words. No corner on compassion: The problem is that you have trouble seeing somebody who is compassionate taking a different route or a different solution to the problem of our economy.



I believe very strongly in one way of achieving probably the same aim that the honourable members on the opposite side have, which is to look after people who are less fortunate than we are. We in this party, with our budget, are going a different route. The route you took put us deeper into debt, made our whole economy collapse. We feel we are going to take a different approach.

If you were to speak this way in five years, maybe you would have a point. We need the chance to put these measures in place, and that's exactly what we're going to do. The fact that I am taking a different route does not mean that I care or our party cares any less. If you read this budget carefully, you will see that many of the measures are exactly what the disadvantaged people are asking for. I am sure that in the end they will be much stronger.

1700

**Mr David Christopherson (Hamilton Centre):** That's a lot of nonsense. It's disgusting to say the poor are asking you to do what you're doing.

**The Acting Speaker:** The member for Hamilton Centre, please.

**Mr Christopherson:** That's disgusting, Speaker. They're saying the poor asked for this agenda.

**The Acting Speaker:** Order.

**Ms Bassett:** Anybody who doesn't have work wants a job.

*Interjections.*

**The Acting Speaker:** Order.

**Ms Bassett:** — jobs with the measures introduced in this budget.

**The Acting Speaker:** Thank you. Your time has expired.

*Interjection.*

**The Acting Speaker:** No, no, the rules apply to everyone. Further debate?

**Mr Phillips:** I'm pleased to join the debate and say that I don't have any doubt at all that this budget reflects where the government's going. I have no doubt that the government fully intends to implement its 30% tax cut. I don't doubt that for a moment. I have no doubt that you will hit your deficit targets on March 31, 2001, and if you can't do it with the cuts you've got in place, you'll make more cuts. I accept that. That is your agenda.

In my opinion — and time will prove either us right or you right — it is an extreme right-wing agenda. I believe that. I believe it is driven by some in your caucus who absolutely obviously believe this. I think it is heading Ontario down a very dangerous road. Time will tell, but I want to be proudly on the record as saying to all of you in the government caucus that I fundamentally disagree with the direction you're heading in. I'm proud to say that and I will be in this Legislature to challenge you at every moment we possibly, legitimately can.

The reason I say that is that we have heard from the government that the deficit and debt are a huge problem — \$1 million an hour of interest. It's the rationale you use for social assistance cutbacks. It's the rationale you use for cutting hospital spending. It's the rationale you use for dramatic cutbacks to support for municipalities and law enforcement.

You've absolutely gutted the support for the infrastructure in this province. A few months ago, you ran on a campaign. All of you made very specific commitments to maintain the infrastructure spending. I'm sure all of you looked at your own budget now to find you've gutted it, absolutely gutted it. The previous government was spending almost \$4 billion on capital. This budget shows you will, the year we're into right now, cut that to \$2.7 billion, and then the second year you're going to cut it almost in half, from the previous government's roughly \$4 billion to \$2 billion. You are gutting the infrastructure.

You are gutting the infrastructure, our educational system, support for municipalities, our hospitals, our law enforcement. Why?

**Mr E.J. Douglas Rollins (Quinte):** We're married to lowering the debt.

**Mr Phillips:** Because I know you are absolutely married to the 30% tax cut, absolutely married to it.

**Mr Rollins:** Proud of it.

**Mr Phillips:** "Proud of it," the member says. I know you are. The public probably can't hear them saying, "Absolutely," but I think every single person in this province should know, as they're being asked to tighten their belt, to trim — "We have to fight this deficit" — that at the very same time this government can somehow find \$5 billion to fund a tax cut. Those are your own numbers from page 22 in the budget, full-year implementation.

By the way, I will add as a sidelight that I was very surprised to now find that you're now saying the Fair Share health levy, which you said would bring into the province \$400 million, will bring in \$260 million. This big clawback — "We're going to claw back on the well-to-do with the Fair Share health levy" — by your own numbers here, you are bringing in far less in the Fair Share health levy than the campaign promise you made.

But here we are: The debt and deficit are a huge problem. We all of us have to weigh in on this. How can you justify, if it is such a big problem, saying to those people who have had to trim and cut and who have very little to spend that at one and the same time the province can afford to give someone making \$150,000 a \$5,000 tax break? It is inexplicable.

You'll say there are other jurisdictions doing it. There is not another jurisdiction in Canada that has not first balanced its budget before looking at tax cuts. You use Michigan and often say, "Well, Michigan and New Jersey," I think the members understand that in US states they don't have debt and deficits; they must balance their budget. It wasn't a case of saying, "We have a \$100-billion debt in the province, but we can still afford a \$5-billion tax break."

I know you're married to that, I know you got elected on that and I know this is a core belief. The member for Brampton South, Mr Clement, is shaking his head. In many of your caucus this is a core belief, this is the most important thing. Whether you have to cut more or not is irrelevant; you will deliver that 30% tax cut. I think it's wrong.

We're beginning to see the promises they are now jettisoning, the promises they are now breaking. The first and most important one is on your job creation promise.



That was your number one promise. You said to the people of Ontario, "This plan will create" — it wasn't just simply saying, "We think that if we do all these things, there will be jobs created." It says, "This plan" — I'm reading now from the Common Sense Revolution — "will create more than 725,000 new jobs over the next five years."

What do we now find in the budget? We now find, and this was an absolute shock to me, that the government itself is predicting — page 39 of the budget — that in 1998, three years, more than halfway into this revolution, there will be more people out of work in Ontario than in 1995 when you took over from the dreaded NDP, as you often say. What kind of a proud record is that, that three years into this job creating revolution, there will be more people out of work in the province of Ontario than when you came into office?

Furthermore, the government said, "This amazing plan is going to create jobs." There were obviously millions of people who believed you. I had many people in my constituency on social assistance who actually believed you when you said, "We're going to start creating jobs tomorrow — 145,000 jobs a year, every single year."

**Mr Rollins:** Three hundred every day.

**Mr Phillips:** I realize the member who's barracking over there may not like to hear this, but it was a fraud. You're not delivering on the jobs, and people are going to hold you accountable for that. I see him over there yelling from the back, Madam Speaker, but he's going to have to answer to all of those people for that fraud on the jobs. What's happening? Of course you're going to deliver the tax cut. Of course the friends who are making \$150,000 are going to thank you when they get that \$5,000, and I understand that. But at what expense?

The first one is jobs, and by your own admission. I think it's shameful that you accept a budget that will show more people out of work three years from now than when you took office. I wouldn't have accepted that if the Minister of Finance had come into a caucus and said, "Now, we've got this great plan." The first question the caucus should have asked was: "What does it do for the jobs? Because that's the thing we ran on." The member will realize, as the public are increasingly realizing, that you ran on a fraud.

The second thing I'd say on this budget is that the member for St Andrew-St Patrick said, "There were no cuts in the budget," proudly said, "No cuts in the budget." Well, there were no cuts in the budget only because you have announced them before and you're going to announce them tomorrow. But all the cuts were in the budget in financial terms. I would say to the public that you are only now beginning to feel the impact of the cuts. This government is going to cut \$3 billion of spending this year, \$3 billion next year and \$1 billion the following year. Those are still to come. We have not yet felt the impact of the cuts required to fund your tax cut. What it means in real terms is that you are going to cut about 25% of spending out of the government. You may say: "Great. That's what everybody's looking for." All right, they're looking for a 25% cut in education, they're looking for a 25% cut in support for municipalities — in fact, you've cut them more than that — they're looking

for that huge cut in the infrastructure spending, in our capital. When you ran, you ran on the basis of saying it is absolutely essential to maintain the infrastructure. So that's the second thing I'd say, that we have not begun to feel the impact of the cuts required to fund this tax cut.

**1710**

The third thing I'd say is simply that this is a government that has sold its cuts on the basis of fiscal responsibility: We all need to do our bit. The \$1 million an hour — as I say, I'm sure young people in this province wake up with nightmares about the \$1 million an hour. But the government says that they are going to increase the debt of this province over the next four years by \$22 billion. For a group that says the debt and the deficit is our single biggest fiscal problem, I don't understand how you can accept the debt and deficit going up, the debt going up by \$22 billion, paying interest on that — I would say just the interest alone on that extra debt is \$5 billion. That's what the taxpayers have to pay, the hardworking, decent people of this province who are paying the taxes. Those hardworking, decent people have to pay \$5 billion of taxes to pay the interest. But we can still afford a tax cut that the government says will cost \$5 billion a year. We can still afford that. So the deficit and debt isn't such a huge problem that we can't afford that kind of a tax break.

I think people in the province will begin to see that there is a penalty in Ontario if you are less well off, less able to fend for yourself, needing some assistance. This is a budget that without question punishes the most humble in our province and rewards the most powerful. It humbles them.

The specifics on the expenditure cuts: The member said there were no expenditure cuts in here because they were, I gather, all announced earlier.

**Mr Bud Wildman (Algoma):** They're not related.

**Mr Phillips:** As the leader of the NDP said, and he's right, the government is saying these aren't related. That is absolute nonsense and I don't think even the Minister of Finance believes that. Certainly none of the backbench members believe that these things aren't all related and that the deep cuts — and by the way, the cuts, by your own admission, are about a third deeper than you promised during the campaign. We all remember the campaign. You ran on a certain campaign. You got in and you said, "We're going to have to cut a third more." So you've cut a third more out. That's your plan.

**Mr Stockwell:** Why? We spent \$2 billion more —

**Mr Phillips:** The member says, "Why?" So they've cut a third more, but the tax cut — we have to cut a third more out of the budget. We've got to cut education far deeper than we've said. We've got to cut hospitals by almost 20%. I don't know what's happening to your local hospital, but my local hospital, which is one of the really fine hospitals in Ontario, is faced with a 15% cut over the next three years. Incredible. Why is that? Because the government has to find \$5 billion for your tax cut.

*Interjection.*

**Mr Phillips:** One of the members across there is barracking about a hospital being inefficient. The Salvation Army Scarborough Grace General Hospital is one of the finest hospitals around.



On the cuts that our school boards are being forced now to deal with, the government has said that it plans to cut at least \$800 million from school budgets. You begin to see the impact of that. You have not got a third of the way through those cuts and already we're seeing dramatic impacts on the classroom. In fact, the minister was forced, under some pressure I gather from some of his colleagues, to put some more money into the grants that he cut. But we are seeing already, while you're just beginning the cuts to education, it is impacting directly on the classroom already.

**Mr Preston:** How many teachers have we laid off already, Gerry?

**Mr Phillips:** The member is again barracking. I gather he's saying that the school boards are not experiencing a problem. I will say to the member that they are experiencing significant problems, and they are going to experience much bigger problems. Why? Because you want the 30% tax cut, and you want to cut far deeper than you ever said you would cut during the campaign.

Our law enforcement: I would say to the rural communities that they must be getting extremely concerned about this government. Half of the OPP detachments closing, half of them around the province closing up.

*Interjection.*

**Mr Phillips:** There's the member over there for Quinte. I should mention him because I gather he's quite proud of half of the OPP detachments closing. The member for Quinte is quite proud of that. The member for Quinte is quite proud that the Ministry of Agriculture, Food and Rural Affairs is cutting the staff by, I gather, 900 people. Maybe he's quite proud of that. Why? Although you ran on a platform of not touching the Ministry of Agriculture, we're finding substantial numbers of staff being laid off from the Ministry of Agriculture. Why? Because if there's one thing this government is committed to, it's the tax cut. If you've got to cut deeper and wider and far more severely than you ever promised or ever ran on, you'll do it.

**Mr Preston:** If you want to tell fairy tales, try The Three Bears.

**The Acting Speaker (Ms Marilyn Churley):** Order, please, the member for Quinte.

**Mr Phillips:** I appreciate that. For the people at home, a rather juvenile approach over here is being heckled. I normally like to listen to sensible people, but I'm going to have to start ignoring you. Who is this? Who is this over here? Peter Preston, the member for Brant-Haldimand. So anybody from Brant-Haldimand watching, Mr Preston is making rather silly comments. I'll look forward to his own speech, but I'm going to have to ignore him because he's so silly. But the people in Brant-Haldimand I think will probably begin to appreciate his rather silly comments, eventually if he ever gets a chance to speak.

To continue with this budget, because make no mistake, we are heading down a road that I gather the government members and certainly the Common Sense true believers like. But here's the impact: The first impact we saw was the job situation, delivering far fewer jobs than you promised. The Minister of Finance said, "Well, we think we can do a little bit better, and maybe we can

see more jobs created," but the numbers in this budget and any reasonable look at job creation says you are going to miss your job target dramatically. You're cutting expenditures far deeper than you said.

I would say to your members, by the way, that this budget is, frankly, your easy budget. The tough ones are the next two. I say that for these reasons: one is that there are some cute little things in here where the government took some expenditures out of this year and moved them back into previous years. It's called restatement of prior year public accounts. It's a cute little way of taking expenditures you were planning to use now, moving them back two years, taking the deficits up and just burying them. There is probably about \$800 million of expenditures you've moved back to prior years — it's here on page 50 — and restated the deficit. "Restated deficit" means showing a higher deficit.

1720

**Mr Stockwell:** Lower.

**Mr Phillips:** No, it's actually a higher deficit. Somebody said "lower."

**Interjection:** They wouldn't do that.

**Mr Phillips:** Well, they did that, and they moved expenditures from this fiscal year into last fiscal year.

I say to the government members that I understand you may feel fairly good about the budget. I'm sure when you get to the Rotary Club you get the pats on the back. I gather the Premier was at a very swanky restaurant, Centro restaurant.

**Mr Preston:** "Give me a job at Centro."

**Mr Phillips:** The member is saying to give me a job there. This is my job and this is what I love doing.

I gather he got a standing ovation. Certainly here on Tuesday — as one of my colleagues said, the Albany Club closed down for two hours — this place was filled with more suits than Harry Rosen's.

I understand why you may like this budget, but for the people of Ontario you are embarking on a road that I think is extremely dangerous and will do a lot of damage in this province. You are not the Bill Davis Conservatives. This is a very different road we're heading down, one that I think is wrong and I gather the one that you think is right.

The 30% tax cut has gone. It's out of the barn and it's going to create enormous deficit problems. Some of you will say, "That's great, because that will keep forcing more and more government expenditure cuts"; I understand that. The expenditure cuts are far deeper than the campaign you ran on. You've got a one-year reprieve because you've done some things in this budget — moved expenses back to previous years, taken some deficits up.

By the way, the debt servicing costs, the interest costs are actually substantially lower than you thought. I think your \$1 million an hour went a bit by the boards because they're a lot lower than had been previously estimated. You're shaking your heads, but you also got a reprieve on that.

The real challenges come in the next two budgets. First you delayed the tax cut a little bit, and I understand that. Your Common Sense Revolution said it would come on April 1 and you delayed, essentially, the big cut until



January 1, but your big expenditure and revenue cuts come over the next two years, and that's when our fiscal problems get really serious.

I think you're heading down the absolute, wrong track here even though you may temporarily get some pretty good pats on the back as you wander around.

**Mr Douglas B. Ford (Etobicoke-Humber):** You need a few.

**Mr Phillips:** The member said I need a few.

Believe me, in three years, when the educational system is struggling; when young people have been through several years of very dramatic tuition increases — they're 20% this year, for some programs substantially more and no end in sight; when our roads are crumbling and you've essentially cut the capital spending in half from the previous government's numbers; when our hospitals have absorbed a cut of almost 20%; when many people in this province realize that the people who are making good incomes got a terrific tax cut — I got a tax cut and most of it seems to be gone on brand-new user fees.

If I remember, that is what the debate on Bill 26 was all about: giving the municipalities the flexibility to raise the money. As a matter of fact, I think the Minister of Municipal Affairs and Housing said one of the reasons for Bill 26 is to give the municipalities more flexibility to introduce user fees to compensate for our cutbacks. He said that at committee.

So it should be no surprise to you when municipalities introduce new user fees. In fact, I was with many of you at a committee hearing where you said, "We promise the municipalities that we will give them more flexibility to find different ways of raising revenue, because the province can no longer provide support for them." So it should be no surprise when they say, "All right, I'm going to have to put a user fee here, a user fee there, increase the licence fee here, charge for that here, charge for that there." They are responding to what you said: "We're going to cut you back on our support, but we'll give you more opportunity to raise money."

My point is this: that for middle-income earners and lower-income earners, a huge part of their tax decrease is being eaten up with fees. But for someone making \$150,000 — and we all know over half of this tax cut goes to families earning more than \$90,000 — this will be a pretty good bonanza for them. But for the average hardworking person in Ontario, hardworking, taxpaying person, they are going to barely see this tax cut by the time municipalities are through with new user fees; by the time, for some of them, if you've got a young person in a college or a university, it's eaten up right away with the tuition fee — more than eaten up.

As we head down this road, I will proudly say I fundamentally disagree with the direction. I understand it's popular for a tax break, but when you quote other jurisdictions you will find other jurisdictions that cut taxes got their fiscal house in order first on a sensible basis. I know that you like to quote Mississippi or Missouri or Michigan or somewhere like that; all of those by law can't run deficits and debt. So it isn't as if they were dealing with a situation where they had a huge debt — no. In my opinion — it's an important point — what drives this tax cut fundamentally by the true

believers — I call them the commonsense true believers — is a belief that if you cut taxes you cut revenue, you keep forcing less and less government.

I talked to one of the senior —

*Interjection.*

**Mr Phillips:** Well, the minister from Brampton is also — one of the reasons I'm always suspicious of the Conservatives is that the last time a Conservative government balanced the budget was 1969. It is frankly a myth that the Conservatives are great money managers. It's a myth. Now, it's a myth that's a bit tough to dispel, but even in your own documents here —

*Interjection.*

**Mr Phillips:** Well, but there it is, everybody in Ontario, the last Conservative balanced budget.

As a matter of fact, and even according to your own document, this government, the Harris government will not balance the budget until March 31, 2001, which is going to be roughly a year after the next election. So in your mandate, I guess that's one reason why I carry around this, the Ontario Taxpayers Federation — you remember you said you're going to have immediate passage of this, but it called for a balanced budget in your first mandate. Your budget document does not call for a balanced budget in your first mandate. You may try and introduce one, but it will not be balanced until March 31, 2001, after the next election.

You wonder why one is suspicious of Conservative fiscal management. But you're going to go ahead with a 30% tax cut. You are going to dig Ontario a fiscal hole. You're going to increase the debt of this province by \$22 billion. The taxpayers of this province are going to pay, on that alone, an extra \$5 billion. Why? Because \$13 billion of that is as a result of the tax cut over the next four years. That's the cost of your tax cut. That's what you say you're going to do. That's what's in your document here. And so if this deficit is such a huge problem, tell me again, how in the world we can afford a 30% tax cut?

I'll tell you who's going to pay for it. It will be people who are less able in this province. It will be our educational system, it will be our individuals on social assistance, it will be the health care sector, it will be the people in municipalities paying more user fees, it will be our college and university students with enormous increases in their tuition fees, and why? All to fulfil, in my opinion, a right-wing philosophy around the economy that I don't support, and I'm pleased to say that I don't support this budget.

1730

**The Acting Speaker:** Questions or comments?

**Mr Christopherson:** I'd like to compliment the member for Scarborough-Agincourt on his comments and on his analysis and criticism of the Mike Harris budget. Particularly, I want to focus on a couple of things. One, he mentioned that in his view this is the easiest budget that this government will deliver, and I would agree with that, because the way they've been able to structure this, coming off the momentum of winning — we remember what that's like when you're still aglow in the victory of an election campaign, and that's rightfully yours, you won it, but immediately you used the cover of that euphoria to announce billions of dollars in cuts, much of



those an attack on the poor. You've announced that you're going after the disabled by, by and large, dismantling WCB, and all of the transfer payments to health, to education, to social services, to transportation, all of those things you did in the early days, and in this budget, you announced the tax cut which at one level sounds like a good thing, and it's not surprising people have some appeal to that, but the fact of the matter is, with the follow-up budgets as your term of office unfolds, you won't have that luxury. You won't be able to roll things out that way. You'll be accountable. You'll be accountable to the people of Ontario for what has happened to Ontario and all the things that are important.

The member for Scarborough-Agincourt also talked about the fact that Ontarians will barely see their tax cut and, again, by and large, it sounds like a good message, but listen to what people are saying. They're now becoming more and more aware that with the tax cut goes an increase in user fees, an increase in property tax, and at the end of the day, most working people will be worse off as a result of this budget, and time will prove that to be true.

**Mr John O'Toole (Durham East):** It's a pleasure to respond to the member for Scarborough-Agincourt, who has a fairly respectable background in finance, and I'm surprised at his flippant comments. He should be more than familiar with the red book action plan.

Our budget is all about creating opportunity and hope, an environment for investment, and we've pledged to stop the spending and stop the taxing and balance the budget. But it's funny. As I look back in my archives, the red book, which we don't see much of but we hear even less: Their first commitment, in 30 days, was to introduce a balanced budget. That's exactly what we're intending to do.

If I go on, it says "Cutting Spending," and I underline the severe cuts that they're going to eliminate, through public-private partnerships and reducing and streamlining government organizations and operations, private partnerships of government organizations. All of this sounds very familiar. On page 8 they have a 5% tax cut, a statement that says, "Rising taxes kill jobs." That's exactly what we're trying to do: reduce taxes to create jobs. It sounds like you agree on it.

*Interjection.*

**Mr O'Toole:** Yes. The member from Niagara there says cut taxes by 5% during the first term. They weren't sure what their plan was really, but it sounded very much like ours. The difference between you and us is that we're doing it. We're actually creating the opportunity and the hope that people are looking for.

Another little thing: our favourable tax treatment of the mining corporations, with a \$15-million reduction in taxes. I think that many of our plans are directly to impact on the small entrepreneurial business. Keep in mind that over 90% of the people in Ontario earn less than \$68,000. Each one of those people are the people who are going to have disposable income that you were prepared to tax away from them. The one thing that's new in this is there is no tax increase.

**Mr David Ramsay (Timiskaming):** I was very pleased to be in the House to hear the speech of my

colleague from Scarborough-Agincourt, our treasury critic and obviously one of the best experts of finances. I think everybody in the House would just about agree to that. He has a tremendous understanding of the finances of this province and I must tell you he's got the utmost respect of all our colleagues in giving us an analysis of what's really happening here. I'm glad the member across the way brought up some of the things we in the Liberal caucus have talked about during the election, because what we wanted to do —

**Mr James J. Bradley (St Catharines):** Did they have VLTs in theirs?

**Mr Ramsay:** That's true. VLTs and a lot of things that you're doing weren't in your book. But what we wanted was to do a modest and a sensible restructuring of government. We also wanted to see smarter government, and in doing that we would make it slightly smaller. But we weren't going to cause the havoc that you people have caused by getting rid of 10,600 people overnight that is going to cause such a dramatic drag on this economy. Whether it's the southwest, the east, Toronto or the north —

**Mr O'Toole:** Look at the Liberals in Ottawa.

**Mr Ramsay:** — we're feeling that drag in that economy and the private sector isn't going to be able to keep up —

**Mr O'Toole:** You would never have done it. Ask Sheila Copps.

**The Acting Speaker:** The member for Durham East, come to order.

**Mr Ramsay:** — at the rate of creating new jobs the way you are shedding public sector jobs. So you are hurting the economy. It's just like a Mulroney government over there. You're giving the tax cut to the big people, the big corporations, and the high-earning individuals are getting the big tax breaks. For the average working person, they know it's a shell game for sure, it's a great sleight of hand. You're like the Doug Henning of the new Ontario, because you're putting a little bit of money into one pocket but all those other partners of yours are having to take a lot of money out of their other pockets. The same taxpayer has got maybe two pockets and one pocket has got a little more, but boy, they're getting ripped off in that other pocket. You're totally ripping them off.

**Mr Wildman:** I want to congratulate the member for Scarborough-Agincourt for his presentation. I thought it was most thoughtful and well considered. It's interesting that we have now, in the period for comments, barracking across the floor, people saying essentially, "We're doing what you said you were going to do, only you weren't going to do it right," and so on.

The point is, we're dealing with a budget that has been brought in, and this budget, as the member for Scarborough-Agincourt said, is going to require the borrowing of substantial amounts of money to pay for a tax cut. It means increasing the debt significantly, at a time the government says that they are going to cut the deficit, in order to finance a tax cut that is not going to produce the number of jobs that the government claimed it would produce when they came into government.



We're talking about less than half the jobs predicted by the Minister of Finance's own figures that were promised by the Conservative government. The people who are going to benefit are those who do not need a tax cut. The people, as the member for Scarborough-Agincourt said, who are at middle income and lower income levels are going to have more than their tax cut eaten up by user fees, hidden taxes and increases to property taxes to finance education and municipal services because of the cuts in transfer payments by the provincial government.

The fact is, we're going to see enormous increases in taxes as a result of this budget and people are going to be paying more this year than they were last year. That's why I appreciated the comments from the member for Scarborough-Agincourt, because the fact is the public are going to understand the impact of this and they're not going to like it.

**The Acting Speaker:** The member for Scarborough-Agincourt, you have two minutes to respond.

**Mr Phillips:** I appreciate the comments. I wanted to respond to the member for Durham East primarily. I think where we really part company is on the 30% tax cut. I can remember very well the day that this document was released. I think it was May 4, around then, of 1994 — two years ago. I happened to be meeting with a group of people from outside whom I regard as financial and economic experts, not necessarily Liberals, just a group of people whom we asked to come in and give us advice. I ran out and got the document — it was actually early in the morning — and brought it back in. I said: "Holy gosh, they're planning a 30% tax cut. What's your advice on how one responds to that?" These were senior bank economists and financial people. They said: "It's ridiculous. The province cannot afford a 30% tax cut if it wants to get its fiscal house in order and have a sensible social environment."

Their advice was, "Let it die of its own weight." Of course, it didn't — you got elected; we lost. I understand that, but my opinion has not changed from that day that you have made a promise to the people of Ontario that will lead this province down a road that I think is dead wrong.

I proudly say that today. I'll keep saying it. I'll tell people out there who like the tax cut that this is where it's heading, and I will say the same thing I said two years ago: This is not the Ontario I believe in, not the Ontario I want and not the Ontario that I think Ontario deserves.

You go ahead and do your 30% tax cut and go on down to the country club and get a big pat on the back, but I'll be here arguing against this thing because I think we need a better Ontario than this will provide.

1740

**The Acting Speaker:** Further debate?

**Mr Martin:** It is a great pleasure for me to stand today and second the motion of non-confidence of the finance critic of my party, the member for Beaches-Woodbine, and to support the comments she's made in this place and to say that I agree wholeheartedly with everything she said; and to also suggest to the members across the way that they might want to listen to the member for Beaches-Woodbine. They'd serve themselves

well, and the people they represent, by paying some close attention as well to the member for Scarborough-Agincourt, who has just spoken so eloquently in this place. He's been around for quite a while, he knows of what he speaks, and he never but tells the truth here.

I know there are not many of you across the way who have been around more than this last short term of this government. As a matter of fact, I think there's only two: the Management Board Chair, the member for Don Mills, and also the member for Etobicoke West.

The member for Etobicoke West is right when he says he has been here all afternoon listening to the debate that's going on and wants to get into it in some meaningful way. But we know that if he did, what he would be saying is that he just can't believe what he's hearing. I know the member for Etobicoke West is in touch with his constituents and they're telling him that this is shocking, that this is just not good stuff and that he should bring that perspective to this place and share it with us as much and as loudly and as eloquently as he has potential to do every chance he gets.

I hope he gets that chance in the next week or two to rise in the House and, like I'm going to do here today, speak very clearly on behalf of the people I represent, who are the people who live and work in Sault Ste Marie. I dare say they represent very clearly and directly the feeling and the sense of the people in almost every community across this province. They want to believe, they really do, that this government knows what it's doing. They want to believe that the program this government is laying out for them and for their families and for the communities they live in is going to work for them and that it's going to do all the things they're being told by way of all of the hoopla —

**Mr Stockwell:** On a point of order, Madam Speaker: With respect to the member for Sault Ste Marie, I'm not going to question his memory but I think there's been a gap with respect to his announcement of me finding out from my constituents that they don't support this budget. I don't recall ever standing in this place —

**The Acting Speaker:** Will the member for Etobicoke West please sit down. That is not a point of order.

**Mr Stockwell:** On a point of personal privilege, Madam Speaker: I would ask the member to withdraw the comments, because I don't recall standing in this place making those statements. Certainly it was not anything I've said today —

**The Acting Speaker:** That is not a legitimate point of privilege. Would the member for Sault Ste Marie please continue.

**Mr Martin:** I certainly don't intend to withdraw, although I'm really glad that I did give you the opportunity to get up and say a few things because I think your voice is important and —

*Interjections.*

**Mr Martin:** No. The member for Etobicoke West is a well-respected member of this place. He spoke very eloquently when we were in office about all kinds of things, particularly where it impacted directly on the people he represented in Etobicoke West. We're expecting that in this instance his integrity will continue and that he will begin, as we on this side of the House are



going to do, to bring the honest feeling and sense of real angst in the gut of the people who live —

**Mr Stockwell:** When I sat over there, you claimed I didn't have a heart.

**Mrs Marion Boyd (London Centre):** He didn't say "heart"; he said "gut."

**Mr Christopherson:** He still said "gut," not "heart."

**Mr Martin:** That's right, the gut.

**Mr Christopherson:** He's still not giving you credit for one.

**Mr Martin:** I'm waiting to hear what you have to say. Once you've had your say, we'll determine whether it's gut or heart.

**Mr Mike Colle (Oakwood):** Forget him, Tony. Make your speech. Make your speech about the people of Sault Ste Marie.

**Mr Martin:** Okay. We're going to speak about the people of Sault Ste Marie.

**The Acting Speaker:** Order, please. I can't hear the member.

**Mr Martin:** The people of Sault Ste Marie really do want to believe that the program this government is putting in place is going to be helpful. Even though they didn't vote for you, the people of the north want to believe that what you're doing is going to be in their best interests. They really do, because they know that even though they didn't vote for you, you're going to be around here for three or four years and you're going to be doing what you said you were going to do. They are very concerned that what you're going to do is going to be very damaging, because so far it has been to them and to their neighbours and to family members who are losing some of the money they need to put bread on their table and pay their rent. They're losing their job. They're losing their services.

All the indications are that this is going to be tough, although, again, you have not said that it wouldn't. You said this was going to be short-term pain for long-term gain. I suggest to you that actually it's going to be short-term pain for long-term pain, that what you're doing is not going to be in the best interests of the general public out there — the middle class and the lower class. It may be good for a small number of the powerful and the rich, but it's not going to be good for the ordinary citizen, the person you should be coming in here every day and speaking on behalf of, because that's what government is about.

We know — you know — that the powerful and the rich can take care of themselves. They don't need us. They'll find ways of making sure they do okay. I think we've seen that in the last five years. We've been through in this province in the last five years, particularly in the early 1990s, one of the worst recessions since the Great Depression, and yet major corporations in Ontario declared profits through that period, and in some instances record profits, and in the last couple of years historic record profits. They're able to look after themselves. They don't need your help. They'll figure out a way to get the money they need to do their thing.

What you have to be concerned about is the overall impact this will on the communities that you live in and that elected you to come to this place and the people who

live in them — the middle class, the ordinary person who goes to work every day, who sends his kids to school hoping that it will be a good education so that when they're finished they can get a job, all those things. You have to concern yourself about that. You have to hold your program up to the scrutiny of those who understand the impact that will have on those folks — not the wheelers and dealers on Bay Street, not the wheelers and dealers on Wall Street and the people who run the banks, because they'll give you one answer, and it will be very narrow and very selfish and will not in any way consider the impact this will actually have on the people who have their money in their institutions. You have to hold the program you're presenting to the people of Ontario up to some scrutiny. There has to be some way of telling whether this program is going to work or not, because that's what the people out there — in my community anyway, and I suggest your community — are asking: Will this program work? Is it going to work?

I suggest to you that so far the signs are very problematic. We just have to look at what —

**Mr Preston:** To date.

**Mr Martin:** No, no. You've been in power now for about nine months, and what you've done so far — and it's all part of the package that was delivered here — has been very damaging. It's been very damaging to those who can least afford to deal with it.

The first thing you did when you got the reigns of power — it wasn't even a month. You decided that you would take not 5% or 10% or 6%, which is usually the percentage that you're looking at when people go in to negotiate, whether it's an increase or a decrease or whatever in salary or wage; you took 21.6% out of the pockets of the most poor among us without any consideration at all re the impact that would have on them or their families or the communities in which they live.

1750

Do you know what that meant for my community? Above and beyond the fact that we have literally hundreds of families who are now having to consider actually moving their place of residence because they can't afford the rent any more, who are now having to decide whether they will pay for health care or put food on the table, above and beyond that, this meant \$2 million a month out of the economy of Sault Ste Marie, \$2 million not being spent in the corner stores and the grocery stores and all those other small places of business that in Sault Ste Marie are the bread and butter of our economy. This was the impact: \$2 million.

I don't think you people really understood that, and I don't think you know today how that's impacted on my community. Add that to the services you took away by way of your announcement in July and then further announcements in November and the jobs that disappear and the money that goes with that and you begin to understand.

In Sault Ste Marie the Christmas and January of 1994-95 were probably the best we had seen in a long, long time, because finally our community had made its way out of that very difficult recessionary period of the early 1990s. Algoma Steel was working, St Marys Paper was working, the ACR was running up and down the line,



teachers were teaching, nurses were nursing, doctors were doing what they do best. Everybody was feeling confident and there was some stability in the community and we were all feeling like we'd finally arrived, that the community was finally getting its legs under it and it was going to go places.

We even had a new company setting up in town. Georgia Pacific Flakeboard had come to Sault Ste Marie, attracted by the very stable environment there: the price of energy, the health care system, the education system, all of those things that are important to investors. They came to Sault Ste Marie and they set up shop and they were creating 100 new jobs. That was Christmas and January of 1994-95.

Christmas and January of 1995-96, now that was a different story. That's just a couple of months ago. We're now almost back into a recession again. People weren't spending money at Christmas because, first of all, they didn't have it, and those who did weren't sure how long they were going to have it. Nobody knows in Sault Ste Marie any more how long they're going to have their job, unless they work at Algoma Steel, St Marys Paper or the ACR. If they work in the school system, if they work in the health care system, if they're a social worker of some kind, really working hard and doing their best to take up the slack because a lot of their colleagues are gone now, they didn't have a job, so they weren't spending either.

You didn't only hurt the poor because they now weren't able to have the kind of Christmas they had the year before and were expecting to have for a few years to come, and hurt the middle class because they didn't know if they were going to have a job so they weren't spending and having the kind of Christmas they'd like to have. You also hurt the retail sector of my community, which is, as I said before, the bread and butter, the people who really put out in so many important and significant ways in my community, whether it's charity or their own time and expertise. They're hurting now too, because they didn't have a really good Christmas.

January, February and March are times of real soul-searching in our community as people make decisions about both the short term and long term and what they're going to do and how they're going to deal with the very difficult circumstance they find themselves in.

That's a very clear indication of the impact the program of this government is going to have on our communities, on the people who live in those communities.

The budget you presented here this week has done nothing to dispel the sense out there that you really haven't done your homework, that there are no impact studies. There's nowhere in the document that I've looked at where they roll out, what's this going to look like, how's this going to impact people, how's this going to impact communities?

The job strategy: In Sault Ste Marie — and this doesn't even take in the announcement of April 6 talking about the direct jobs connected to the provincial government — we've already lost over 500 jobs in the city. That represents about \$31 million out of the economy of Sault Ste Marie, not being spent in the stores, not there for people to buy a new house or upgrade their house or

whatever, the kinds of things that contribute to — I'm going past 6 of the clock, I just want you to know.

**Mr Preston:** Don't do that; it's Thursday, Tony.

**Mr Martin:** Tonight I'm going to go past 6. I feel so strongly about this that I've got to take all the time that I've got given to me here and say what I have to say on behalf of the constituents of Sault Ste Marie.

I know that the member for Etobicoke West isn't going to be able to get up and do that, so I've got to do it for him and let the folks out there know how the agenda of this government that's represented so very clearly and directly in the budget that they delivered this week is not well-thought-out. There's no understanding of the impact that it's going to have.

There are over 500 jobs already gone out of my community. How are you going to replace those? You said you were going to create 725,000 jobs. We haven't seen a fraction of that yet. The other day, I asked a question of the Minister of Industry, Trade and Technology. I said: "You know, 500 jobs are gone out of Sault Ste Marie. What are you going to do? What advice do you have to the citizens of my city, to the leaders of the city?"

**Mr Christopherson:** How did he help you?

**Mr Martin:** He said, "We've created 1,000 jobs in St Thomas."

**Mr Christopherson:** St Thomas?

**Mr Martin:** Yes. Does he want the people of the Sault all to move down to St Thomas? What about the people in St Thomas? You live close to St Thomas and you know that in London and St Thomas, your area, that they're experiencing the same kind of unemployment and layoff that we're experiencing in northern Ontario. Would it be fair to all of a sudden have busloads of unemployed people from Sault Ste Marie land in St Thomas, looking for the 1,000 jobs that now are out there to be had? No, I don't think so.

I guess what I'm suggesting here is that the people in my community and the people across this province are asking very sincerely and very honestly, "Is this program going to work?" I have to tell you, so far by the indications that I've seen and what's happened to date under the leadership of this government, the signs aren't positive, the signs aren't good. It doesn't look like we're going to be able to achieve the growth that is suggested, that I think we all hope will happen.

I think it is probably important too if you're going to, in any analytical or critical way, look at a proposal that's put in front of you as to whether it has potential to be positive or work or not, you have to compare it to some things. I've already shared with you the approach that our government took when it was in office to the challenges that we faced in the early 1990s that were very severe.

I know that in the early 1990s, in Sault Ste Marie and I dare say in other communities across the province, there were some really difficult things that the business community and people who work in those workplaces faced, and it was no different in most of the communities in northern Ontario. Did our government in front of that say, "You're on your own; let the marketplace decide"? Take money out of the community by way of cuts and say, "This is going to be good for you"? No, we didn't do



that. We knew that as a government we had a major role to play, that we had to be there and that actually government is a fundamental determinant of healthy economic activity in a jurisdiction.

We came in as a government. Bob Rae himself came into Sault Ste Marie and sat down in that community with the workers and with management and with the financial institutions and it wasn't easy. It went on for months. I was there. I remember the dark cloud that was over our community as we all worked through this very difficult — and the government was there giving leadership, believing in the people, supporting the workers, supporting the management of that company in their efforts to make positive change and put in place something that would be there for us in the long haul.

That's the kind of government this jurisdiction wants, needs and deserves. It is not getting it with the present government. I suggest to you that that's a major flaw in the budget that's been presented and it will come back to haunt you.

**Mr Christopherson:** You keep fighting for them, Tony. You keep fighting for them.

**Mr Martin:** I will, absolutely, I'm telling you. It's 6 of the clock now. The whole NDP caucus is with you out there. We know how difficult it is; we know the challenge you're going to face. We tried to be there. We were there with you in significant ways when we were government and, given the chance, by damn, we'll be there again. I'll be back on Monday.

**The Acting Speaker:** The motion that this House do now adjourn is deemed to have been made.

1800

## ECONOMIC DEVELOPMENT

**The Acting Speaker (Ms Marilyn Churley):** Pursuant to standing order 34(a), the member for Sault Ste Marie has given notice of his dissatisfaction with the answer to his question given by the Minister of Economic Development, Trade and Tourism concerning cuts in services and jobs. The member has up to five minutes to debate the matter and the minister or parliamentary assistant may reply for up to five minutes.

**Mr Tony Martin (Sault Ste Marie):** I rise this afternoon somewhat, not totally, disappointed that the Minister of Economic Development, Trade and Tourism could not find it in his very business schedule to come and explain to me and my constituents what this government intends to do, given the very dire and difficult circumstances we now find ourselves in.

I am happy, though, that his parliamentary assistant, a very capable and able member of this House who comes from Sault Ste Marie and probably knows more intimately the challenges we face in that community, will probably be able to speak to me today on behalf of the government in a way that hopefully will be helpful to the citizens of that city, because we are going through some very difficult times.

As I said the other day to the member for Brampton North, in Sault Ste Marie at this particular point in time, without considering the impact of the announcement of April 11, we are down a net 500-plus jobs. That means

\$31 million, approximately, out of the economy of Sault Ste Marie. You add that to the \$2 million a month we're losing because of the cuts to social services and that computes to about \$24 million, so we're talking \$50 million to \$60 million out of the economy. That's going to have a very direct and severe impact not only on the people who are out of jobs and the people who are getting less to spend but on the retail sector, the small business community in Sault Ste Marie.

I shared with your minister last week that we as a government were challenged in the early 1990s; when we came in the challenges were huge. You remember in 1990 Algoma Steel was on strike, lockout, however you want to put it, St Marys Paper was bleeding through the ears and the Algoma Central Railway was losing money to the tune of about \$10 million a year. We came in, in each instance bringing all players to the table, government playing a leading role and supporting in the ways that it could.

I suggest to some of you who perhaps don't understand or sometimes lead me to believe that you don't know that this was not a bailout by government. This was in no way just walking in and throwing bags of money at Algoma Steel or St Marys Paper. It was sitting down with workers and management and financial institutions and coming up with a business plan that was good in the short term, good in the long term, not in any way in contravention of any trade agreements that Canada or Ontario has with other jurisdictions and is now proving to be very successful. As a matter of fact, some of the money these enterprises have generated by way of profit over the last year or two are now being reinvested.

The question I have for the member, because the minister suggested I might be a bit more constructive in the way I ask the question or bring it forward, is first of all, what can we expect from the government by way of leadership, involvement, concern and some assistance?

Last Thursday we had a referendum in Sault Ste Marie on whether we want a casino. I know there are people out there who have some concerns about a casino and that a casino doesn't come without some cost, socially and in some other ways, and that we need to do some really difficult and important work around that and make sure we put in place all the services and supports that are necessary if we go ahead with that opportunity for our community.

Last Thursday in Sault Ste Marie we had a referendum, and of the ones that voted, 59.1% or 59.2% or 59.3% of the people in Sault Ste Marie voted in favour of Sault Ste Marie moving ahead with a casino in our city.

I guess my question to the member who understands some of the feelings, the sentiment in the Sault about this, because he has family who, like me, probably go over from time to time and spend a bit of money that could, if we had our own casino, be spent in Sault Ste Marie.

The question I have is what can we expect from the government by way of answer re that referendum and could we set up a meeting perhaps between government officials and the officials of my city so that we could talk about that and get it on the way?



**Mr Joseph Spina (Brampton North):** There are two fundamental questions here that the member for Sault Ste Marie has given, and I thank him for the compliments. I return the compliment with his sincerity representing the people of Sault Ste Marie because, if nothing else, Tony is definitely a sincere person in his statements and what he wants to do for the people of his riding.

The first question was, what can they expect from government with respect to the plans that we are looking to adopt. A number of things have happened, and some of the initiatives have begun with the budget, as we heard the other day. As a result of what we are trying to accomplish — now, I'm going to be very general in the beginning, Tony, and then I'll get to the specifics.

We have taken serious steps to try and balance the budget, and also to put the money back into the people's pockets. It's not so much putting that back into the people's pockets as it is taking less out of their pocket via the taxes that they've been burdened with over the past few years.

There's no question that when you raise taxes it's been demonstrated clearly that there isn't always an increase in revenue. In fact, very often there is a decrease in revenue, even with the higher taxes, because two things happen: people spend less and furthermore, it builds in the underground economy.

I think a lot of the job loss in the Sault that you mentioned, and frankly across the province, is as a result of the economic situation that we faced in the early 1990s, and actually I would say that your government took a constructive approach to the situation that was in Sault Ste Marie at that time. I agree with you, it wasn't entirely a bailout, in spite of what I may have been quoted in the newspaper as saying.

It was a constructive solution to resolving the problem with Algoma Steel, and I will say that I am pleased that the workers made the project work. I'm pleased that the steel plant is back on its feet again and working well, and I believe it declared a profit and dividends in the past year and a half or two years.

That is an excellent result. But let me be clear that I still believe and we still believe that taxes kill jobs. I know that under your party, unemployment rose in the province from 6.3% to 9.3% and I think that was reflected in the increases in taxes and a lot of the spending debt that took place without taking into account the amount of debt that was being incurred.

I have a short amount of time left, so I'll go to the specifics here.

With regard to government plans, first of all, the elements of the budget I think will speak for themselves, and I won't outline those, but I have made recommendations on a small business report and over the next few months we will see some of those recommendations being adopted and a strategy to promote and build small business. I have spoken directly with Mr Strapp, from your economic development department, and I'm pleased with the initiatives they are doing there and I'm looking to build more partnerships with the economic development department and the government to help develop stuff there.

Now, with respect to the casino, I know when the decision was made one of the reasons the Sault didn't get it — I think someone communicated the fact: "You didn't have a referendum. Niagara Falls had a referendum." I'm not entirely convinced that was the situation, but Niagara Falls was the only city in Ontario that had voted for a casino. I'm pleased that the Sault has now come across with a majority. I would suggest to you that the decision lies in the hands of the casino corporation, with some advice from our ministry. We would be pleased to hear a presentation from the city of Sault Ste Marie with respect to the casino.

1810

#### NORTHERN ONTARIO

**The Acting Speaker (Ms Marilyn Churley):** Pursuant to standing order 34(a), the member for Cochrane South has given notice of his dissatisfaction with the answer to his question given by the Minister of Transportation concerning comments respecting Timmins. The member for Cochrane South has five minutes.

**Mr Gilles Bisson (Cochrane South):** Earlier this week, I had an opportunity to ask a question of the minister. I pointed out that the minister and some of his colleagues had travelled to Thunder Bay last Friday, and at that meeting, the Minister of Transportation, wanting to say something to the crowd assembled there, the municipal leaders from across northwestern Ontario who were congregated at the Northwestern Ontario Municipal Association, commented, "To all those in attendance from the city of Timmins, I'm looking forward to visiting your community in the near future."

In my question I said to the minister, "There wasn't anybody from Timmins there." One had to believe that the minister didn't know where the city of Timmins was and somehow had incorrectly assumed that Timmins was in northwestern Ontario.

In his response, the minister said that indeed he did know where Timmins was but what he was actually referring to when he made that comment in Thunder Bay — I'll read the quote from Hansard: "I was basically being polite, because one of his colleagues from Timmins was there and I was being polite to recognize the colleague." The colleague he was referring to was none other than Len Wood, the MPP for Cochrane North, who lives in the community of Kapuskasing. When I heard the response, I said, "Jeez, maybe he really doesn't know where Timmins is."

When I put the question forward, it was just trying to see where the minister was and to make sure indeed he knew where Timmins was, and when I first started listening to the answer, I thought, "No, he really does know," and he was maybe a little tired that day and made a comment that didn't come out quite right. But in his response in the House on Tuesday, he basically said, "Your colleague from Timmins was there, and the reason I made the comment is because he was there and I wanted to be nice to him and acknowledge him in the room."

I say again to the minister, the member for Cochrane North, none other than Len Wood, comes from Kapuskas-



ing. There is a large distance between the city of Timmins and the fine town of Kapuskasing of some 200 kilometres or more. Driving along Highway 11 from Timmins, that particular community is at least two hours away by car, and that's pushing it a bit. I've done it in two hours, and if the OPP were to see me doing that, I might get myself in a little trouble.

But the point is, clearly the minister has a problem when it comes to the question of where the communities are situated within the province of Ontario. He came back and said to me in the supplementary, "With members like that, with their attitude on such an important day, one of the most important days in Ontario's history — the budget — the member wants to talk about geography.... Ask a question with substance so the people of Ontario know you're doing your job."

Minister, it is a question of substance. We believe, as most of us in the assembly do, that the minister responsible for transportation should have an idea where the communities are within the highway system. How are you going to make a decision about where you're going to have enough snowplows in the winter or which potholes have to be filled if you don't know where the different communities are? I take it the minister's had a bit of a geography lesson since then. He's learned where Timmins is, and for that I thank him.

But then the next day I'm listening to a press scrum and the minister says — and I couldn't believe this; my God, he actually said this; this is really hard to believe — "I am going to make sure that the Ministry of Transportation gets some extra money so that every pothole on the highways of Ontario is filled, and if not, I'm going to be out there and I'm going to be filling those potholes myself," says the Minister of Transportation. I say to the minister today, you're going to be filling a lot of potholes. The reality is that you have less money attributed to your budgets both on the capital side and on the operational side at the Ministry of Transportation, according to your own budget that you released here on Tuesday. In fact, the ministry's not going to be able to keep that commitment that you're making on behalf of it.

It comes back to the point of the question I asked you on Tuesday. You're the Minister of Transportation. Your responsibility is to have first of all a good understanding of the roads system within the province of Ontario, know something about the geography, which I'm sure you've been brushed up on by now, and then to make decisions about how basically with your officials you're going to maintain the highways in northern Ontario.

Minister, my question to you is, if you're making comments such as I've heard in the House earlier this week, the comment that you made in Thunder Bay last Friday and the comment you made again on Wednesday morning in the press scrum in regard to potholes, how are we as citizens of this province supposed to take you seriously when it comes to your role as the Minister of Transportation, the minister responsible for maintaining our highways? My question is simply that: How can we take you seriously if, quite frankly, you don't understand the geography of this province?

**Hon Al Palladini (Minister of Transportation):** Certainly the rhetoric goes on. I'm pleased to participate

in this debate. The honourable member would like to know how northerners are supposed to have confidence in my ability to make decisions, as he puts it, on behalf of the people of the north. I believe the budget should have answered his question with Minister Eves's announcement of additional infrastructure rehabilitation funding.

But first I would like to address the premise of his question. This is not a government that makes decisions on behalf of people. We allow people to make their own decisions. That's why we're implementing the 30% cut in the provincial income tax rate: to put more money back into the pockets of the people who earn it, to do with as they wish, because they can spend it a lot better than any government.

People say the tax cut would only work for people if they spent it. That's not true. You can do four things with the tax cut: You can spend it, save it, invest it or pay down a debt. Each and every one of those things will help the economy and create jobs.

Let me return to his concept of decision-making for the north just for a moment. The honourable member belonged to a government that decided for the north to take \$60 million out of the heritage fund. I wonder what the people of the north had to say about that. Fortunately, this government, in its first budget, is returning not only the \$60 million, but interest along with it.

The honourable member began his question to me on Tuesday by reminding me of something I said at the conference I attended last week in Thunder Bay. I would like this opportunity to remind him of something he said in this very House a week ago today. He said: "When we," the NDP, "were in government we spent a lot of money on road maintenance...but the reality is we didn't spend half as much as was needed to be spent." Now, that was an honest admission and I admire the member's honesty.

**Mr Bisson:** It's true.

**Hon Mr Palladini:** However, that neglect is why this government is putting an additional \$40 million back into the highways in northern Ontario —

**Mr Bisson:** Well, you've got the project.

**The Acting Speaker:** The member for Cochrane South, you've had your opportunity.

**Hon Mr Palladini:** — to begin to reverse a decay that has occurred because of previous governments' lack of attention to our highway infrastructure.

Last week I may have been mistaken about the member's riding, and I was trying to be polite. I did get Cochrane North and Cochrane South. The reason I mentioned that was because I wanted the member to know that I was going to visit the beautiful city of Timmins. So I was not looking to put any blocks between myself and certainly the member. I do know where Timmins is and I will be travelling there in the very near future.

I have travelled to Thunder Bay, North Bay, Sudbury, Dryden, Kenora, Fort Frances, the Sault, Vermilion Bay and Rainy River, and I have been to some of these places more than once. I'm looking forward to going back, even if it is to repair a pothole.

I might not be as knowledgeable about the north as the honourable member for Cochrane South, but I can assure



the people of northern Ontario that their issues and transportation concerns will be addressed.

I would like to name for you some other places in the north, if I may, places like Powassan, Kenora, Bruce Mines, Kakabeka Falls, Thunder Bay, Geraldton, Longlac, Naughton, Sundridge, Nipigon. What do all these places have in common?

They are just some of the northern communities where the Ministry of Transportation will be doing roadwork this fiscal year.

Shortly, I will be announcing further details of our capital spending plans for this year, and I'm sure the member will tell his constituents in Timmins and in other parts of his riding that the Minister of Transportation does indeed know where the north is.

**The Acting Speaker:** There being no further matter to debate, I deem the motion to adjourn to be carried. This House stands adjourned until 1:30 pm next Monday afternoon.

*The House adjourned at 1822.*

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## Legislative Assembly of Ontario

First Session, 36th Parliament

## Assemblée législative de l'Ontario

Première session, 36<sup>e</sup> législature

# Official Report of Debates (Hansard)

# Journal des débats (Hansard)

Monday 13 May 1996

Lundi 13 mai 1996



Speaker  
Honourable Allan K. McLean

Président  
L'honorable Allan K. McLean

Clerk  
Claude L. DesRosiers

Greffier  
Claude L. DesRosiers



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# LEGISLATIVE ASSEMBLY OF ONTARIO

Monday 13 May 1996

# ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

Lundi 13 mai 1996

*The House met at 1333.  
Prayers.*

## MEMBERS' STATEMENTS

### RENT REGULATION

**Mr Alvin Curling (Scarborough North):** Today, the Coalition to Save Tenants' Rights, on behalf of the tenants of Ontario, served eviction notices to the Tory government, Al Leach and Mike Harris to vacate possession and occupation of the Legislature of Ontario due to the Tories' breach of obligation to the 3.2 million tenants of Ontario.

Their notice read:

"This government is developing legislative amendments which will remove rent controls and gut all other tenants' rights in this province. The government is doing this despite the fact that the elimination of tenants' rights has nothing to do with deficit reduction, was not part of the Common Sense Revolution and was not part of their campaign platform. The destruction of tenants' rights without a mandate from the electorate to do so constitutes a breach of the government's obligation to this province's tenants."

The Coalition to Save Tenants' Rights is working to stop this Conservative government's plan to dismantle tenants' rights.

The Minister of Housing will be proposing legislation that will dismantle the tenant system we have now in place. The minister has made his future intentions clear: As tenants move from one unit to another, they will no longer be covered by tenant protections. The unit they would move from will be lifted from rent control, and the landlord would be able to charge whatever rent he wanted for that decontrolled unit. Of course, the tenant's new unit would also be lifted from tenant protection as well and the rent will certainly be considerably higher.

I urge the Premier and the Minister of Housing not to dismantle tenants' rights in this province.

### MINING INDUSTRY

**Mr Len Wood (Cochrane North):** This week is National Mining Week and, as the NDP critic for northern development and mines, I'd like to congratulate the industry on its contribution to this country and this province.

Mining is a cornerstone of the Canadian economy, creating thousands of jobs and contributing billions of dollars to the economy. The minerals and metals sector employs over 300,000 across Canada, and in 1995 contributed \$23 billion to the Canadian economy.

In the province of Ontario more than 50 communities, most of them in northern Ontario, depend on mining for a significant portion of their livelihood. Each year, the industry generates \$5 billion in personal and corporate income in Ontario and supports over 72,000 direct and indirect jobs, contributing more than \$1.2 billion to provincial revenues.

In my riding of Cochrane North, the Detour Lake gold mine of Placer Dome Canada Ltd recently won the John T. Ryan national trophy for achieving the best safety record in 1995 of any metal mine in the country.

Earlier this year saw the opening of a permanent camp for the employees of Detour Lake, a \$10-million commitment made by Placer Dome and a great boost to the economy of this province and my riding of Cochrane North.

The contribution of this industry to this country and to this province is considerable. Through their investments in us, they have shown the confidence they have in our workers and our ability to be productive and competitive in this industry, in this resource-rich province.

### POLICE WEEK

**Mr Gary Carr (Oakville South):** Today marks the beginning of Police Week in Ontario. Police Week is celebrated from May 12 to 18. The theme this year is Working Together in the Community as Partners in Community Safety. Our theme of Police Week stresses the importance of partnerships between the police and the community and reflects our commitment to community policing.

Part of that commitment will take the form of new funding for community organizations and local police services to be directed towards crime prevention activities. The government will provide \$2 million this year for community-based crime prevention initiatives as part of our commitment to reinvesting in the justice system.

This new funding is intended to be seed money which will encourage the growth of local community-based crime prevention agencies across the province. The money may be used for such programs as the development of community resources to combat youth crime and gang-related violent crime; the development of community safety audits to identify local safety concerns; and the expansion of Community Watch programs across the province.

The provincial government will not run these programs. They will be run by community-based organizations meeting the needs, which will mobilize the resources of the community to identify and solve local problems.



Police Week provides an opportunity for our communities and community organizations to show their support for police services and it allows the police services to demonstrate their commitment to community safety and to public safety.

#### EDUCATION FINANCING

**Mr Rick Bartolucci (Sudbury):** Last Thursday evening I took part in a forum on education in Sudbury. The hall was filled with people clearly upset about the direction in which this government is going with regard to education funding.

The message was clear: People are fearful about these cuts to education. There were several speakers outlining the major effects to the classroom because of this reduced funding. It was abundantly clear to the audience and to the viewing public that the effects to the classroom are real and will impact negatively on the classroom, especially those classrooms housing special-needs children — the autistic child, the EMR student, the developmentally handicapped student — all those students who need a specialized setting with specialized teachers and a specialized curriculum. These, mostly directly, will be devastated.

I only wish the Minister of Education would realize that every life is a biography and the special-needs students' biographies will all be sad stories because of the government that didn't care about them.

An adult education student who spoke literally wept at the effects of the minister's slash to the funding model for adult education. Her dreams are being shattered by a government that doesn't care.

These people asked that I present letters and petitions to the Premier and the Minister of Education. Will you read these letters? Will you listen to the voters? Will you show you care? Do you understand that fear?

1340

#### MINING SAFETY

**Mr David Christopherson (Hamilton Centre):** I want to bring to the attention of the House correspondence to the Solicitor General from Mr Harry Hynd, the director of District 6 of the United Steelworkers of America, regarding this government's intention to take away mandatory inquests into the deaths of workers on construction sites or in mining. The letter in part says:

"The United Steelworkers represents the majority of the workforce in the mining industry and thus we have considerable experience with this industry and its hazards....

"The mining industry is an extremely hostile environment. There is no natural lighting underground. All light is artificial and in a number of cases, the only source is that which is supplied by a miner's cap lamp, particularly when working in development areas. The travelling conditions underground are very rough and often very slippery. It is not uncommon to experience ground movement when working underground which may cause rock bursting or rock fall to occur. More and more heavy equipment is being introduced underground and more and more of it is being operated from remote locations,

meaning that greater potential exists for the equipment to come into contact with unsuspecting workers who may be in the area of travel, including the operators themselves."

He goes on to say:

"Our experience tells us that in every inquest into a mining fatality that we are aware of, something has been learned that would not otherwise have been learned."

We know that just a couple of weeks ago Mr Ray Courchesne died in a mining accident at Inco. Under the new law there's no guarantee there would be an inquest into that death. Shame on the government.

#### HEARING AWARENESS MONTH

**Mrs Helen Johns (Huron):** I rise today on behalf of the Minister of Health to recognize that May is Hearing Awareness Month.

The aging of our population and the increase in noise pollution have made hearing loss the fastest-growing disability in North America. Often referred to as the invisible disability, more than one million Ontarians experience some degree of hearing loss, with the greatest incidence occurring among the elderly. For these people, making the communication link is the key to enjoying an independent life.

The barriers to communication can be lifted through the use of technology, sign language, interpreters, closed-captioning, assistive devices such as teletypewriter phones and American sign language.

Hearing loss, unlike many physical symptoms, may go unnoticed even when a person is wearing a hearing aid. Hearing loss in an adult may have many detrimental effects such as withdrawing from family and from social situations. People who have a hearing loss often stop communicating with others because they are unable to hear and understand what is being said.

There are many ways to facilitate communication, and I would like to thank the Canadian Hearing Society not only for their information but also for their assistance to people with hard-of-hearing difficulties.

#### WOMEN OF THE YEAR AWARD

**Mr Dominic Agostino (Hamilton East):** On Thursday, May 2, I had the pleasure, along with the member for Hamilton Centre, David Christopherson, and 900 people, of gathering at the Hamilton Convention Centre to pay tribute to the Hamilton status of women subcommittee's awards to nine women of the year for Hamilton-Wentworth.

The Hamilton status of women committee was established in 1975, the first such committee of its kind in Canada. For 20 years this committee has brought the interests and issues of women to the forefront and has been a leader right across this country.

The winners that evening were: in the arts category, Hamilton choreographer Virginia Binko and Candace Malott, a promoter of African-Canadian art; in community service, Irene Stayshyn, a member of the board of directors of the Catholic children's aid society and a tireless volunteer; in the communications field, community activist Leonor Sorger; in public affairs, Evelyn Myrie, founder of Black History Month in Hamilton, and



Marlene Thomas Osbourne, co-chair of the mayor's committee against racism; in health, sports and fitness, administrator Joyce Caygill; in the workplace, Birgitt Bolton, former executive director of Wesley Urban Ministries.

The evening also paid a tribute to past winners, including Priscilla de Villiers, founder of Canadians Against Violence Everywhere Advocating its Termination.

It was a successful evening, a great evening to pay tribute to many women who have given tirelessly over the years to Hamilton in their work in the community and the environment. We pay tribute to them and all members of the House join me in congratulating these women.

#### GRAPE AND WINE INDUSTRY

**Mr Howard Hampton (Rainy River):** Members of this House for years have heard members from the current government talk about the importance of Ontario wines, the importance of the Ontario wine industry and the importance of supporting Ontario grape growers.

Ontario boasts 15,000 acres of vineyards located in Niagara and southwestern Ontario. Ontario wines have reached international recognition, winning gold medals in Europe and elsewhere in the world, and they are being featured in many European wine stores. The grape and wine industry provides made-in-Ontario jobs for 10,000 full-time and seasonal employees.

The Premier and his finance minister talk a lot about investment in Ontario, yet last week, when they were out celebrating their budget, spending their tax break, how did they do it? Not by investing in Ontario; not by maintaining or creating jobs in the Ontario grape and wine industry; not by supporting Ontario farmers by purchasing a fine Ontario wine or an award-winning Ontario wine. No, they did not do any of these things. Instead, they celebrated their tax break by purchasing a wine from Europe. I wonder what all those announcements and statements by members of the government mean when they don't walk the talk.

#### TAX REDUCTION

**Mr Bert Johnson (Perth):** The 1996 Ontario budget announced that Ontario's personal income tax rate will be cut by 30.2% over three years, with the first step taking effect on July 1 of this year.

Among the benefits Ontarians will enjoy as a result of these tax cuts is the fact that 91% of all taxpayers will see an Ontario tax cut of 30% or greater and that 64% of the benefits of the tax cut will be concentrated on middle-income Ontarians earning between \$25,000 and \$75,000.

According to the 1991 census, the average household income in the riding of Perth was \$45,331. This means that more than 65% of the people living in the riding of Perth fall into the \$25,000-\$75,000 category and therefore will see a greater than 30% cut in their Ontario personal income taxes.

To illustrate the impact of the fully implemented tax cut, a couple with two children and a family income of \$60,000 from two earners will realize an Ontario tax saving of \$1,385 — 30%. We trust this will lead to hope, jobs and prosperity, not only in the riding of Perth, but

for all Ontarians. We congratulate the Minister of Finance on making the announcement.

#### VISITORS

**The Speaker (Hon Allan K. McLean):** I'd like to inform the members of the Legislative Assembly that we have in the Speaker's gallery today Holocaust survivors who are being recognized for their contributions to the province of Ontario. Please join me in welcoming our guests.

#### STATEMENTS BY THE MINISTRY AND RESPONSES

##### EMPLOYMENT STANDARDS LEGISLATION

**Hon Elizabeth Witmer (Minister of Labour):** Since the Employment Standards Act became law in 1974, it has undergone numerous reforms. As a result of this patchwork process, the act has become increasingly complex, more difficult to understand and administer, and more expensive to enforce. Economic restructuring has also significantly changed the nature of work among the workplace parties. As a result, the act no longer responds to the needs of the workplace parties.

Later today, I will introduce amendments to make the act more relevant to the modern workplace, as well as facilitating its administration and enforcement by reducing ambiguity, simplifying definitions and streamlining procedures.

In keeping with our government's desire to encourage greater self-reliance in the workplace, employers and employees will be required to settle more disputes on their own rather than appealing to the ministry in each and every case. This will allow ministry staff to focus more attention on helping the most vulnerable workers.

1350

To accomplish this end, bargaining unit members will be required to resolve employment standards complaints through the grievance procedures provided in their collective agreements.

To facilitate resolution of complaints, employees will be required to choose to pursue a complaint through either the ministry or the courts as opposed to using both avenues in order to determine which one offers the best settlement.

In addition, unions and management will have more flexibility in negotiating such terms and conditions of employment standards as hours of work and statutory holidays.

The government will also change the act to enable employment standards officers to focus on the resolution of claims and to make the claims and appeals process more efficient.

Among the changes to make this possible:

The limitation period for filing an employment standards claim will be reduced to six months of an alleged violation from the present two years.

The limitation period for appeals will be increased to 45 days from the present 15. The shorter period does not



allow the parties enough time to consider whether they should exercise this important right to appeal.

The time-consuming and expensive work of collecting money owed to employees by employers will be done by collection agencies.

The act will also be amended to clarify employee rights regarding continuation of service credits and the entitlement to vacation pay and time under the pregnancy and parental leave provisions. There has been confusion among arbitrators and referees as to how to interpret the present wording in the act concerning these rights. Clarifying this poorly worded section of the act alone will reduce the number of claims and the amount of litigation as well as enhance the benefits to which women across the province are entitled.

The proposed changes are consistent with the Red-Tape Review Commission's direction for regulatory reform in that they provide for greater flexibility and streamline the procedures for compliance and enforcement.

These changes represent the first part of a two-phase review of the act to cut through years of accumulated red tape, encourage the workplace parties to be more self-reliant in resolving their disputes and make the act more relevant to the changing nature of work and the needs of today's workplace parties. The broader review will be completed by the end of 1996 and legislation will be introduced in 1997.

**The Speaker (Hon Allan K. McLean):** If I could have the House's attention for about five seconds, I want to inform our guests, if you'd like to stay, that I understand there's unanimous consent after this statement has been finished to make a statement by each party.

**Mr Dwight Duncan (Windsor-Walkerville):** The minister began her statement today by referencing the Employment Standards Act and the fact that it has not had a comprehensive review since 1974. Indeed, history tells us that the Employment Standards Act and its predecessors, which were first brought into this province to help keep unions out and to help keep workers from organizing and improving their lot, have not been substantively reformed in actually close to 60 years. We welcome any opportunity to discuss the Employment Standards Act.

The minister has said there's also been restructuring going on in our economy, and we concur entirely. We believe that the act itself is out of date and is in desperate need of positive amendment.

Today, the minister is introducing roughly 15 amendments to the act, substantive amendments, including some clarification of language. The long and the short of it in our view is that these amendments are the beginning of undermining the ability of unorganized workers to protect themselves, and indeed it affects organized workers as well.

Under the guise of streamlining and better administration, the government intends to implement an employment standards system in this province which will ultimately leave the most vulnerable workers in Ontario unprotected.

The minister has also referenced her desire to bring forward more comprehensive legislation later this year.

The Employment Standards Act covers a wide variety of topics, everything ranging from hours of work through to minimum wage and other minimum standards in Ontario. We invite the minister to begin a public dialogue on those issues to allow for more complete discussion. The government is proceeding in an area in which it didn't have a lot to say in either the pre-writ or writ periods during the election. We are very concerned that this government, given its history, will in fact penalize those who are least able to protect themselves.

The Employment Standards Act is an important statute that affects virtually every workplace in this province. It's our view that amendments to it and discussion around amendments to the act ought to be conducted in full public view. The government again is pursuing an agenda behind closed doors without adequate opportunity for response to very important issues. But I guess we shouldn't be surprised with this government. We've seen it from the beginning. We saw it with Bill 7. We saw hundreds of amendments brought forward without any opportunity for public debate. We saw it with Bill 26, which affected so many aspects of how we govern ourselves, particularly in important areas in health care and municipal affairs; again, very little room for public debate.

We see an agenda that isn't designed simply to streamline administration in this case but in our view is designed to lessen rights and protections for those most vulnerable workers in Ontario. It is our view — and we will have more to say about this — that as time goes on the government intends to undermine the protection that workers in this province have enjoyed for many years, long before 1974.

We, in addition, will present our own version of amendments to that act, because we think it is an important act and we think it requires updating. We think, however, government should err on the side of protecting vulnerable people in the workplace and not on the side of lessening their protections and making their lives more difficult.

Any changes to the Employment Standards Act, be they minor clarifications, affect tens of thousands of workplaces and workers in Ontario, and we believe, particularly as the minister begins to embark on her more substantive reforms to the act later on, that there ought to be public hearings, public discussion, so that everybody who has an interest in this important piece of legislation has the opportunity to comment publicly.

We are reminded time and again of this government's insensitivity to the working poor, to middle-class people. Again, they are removing protections. They would have us believe that they are doing this in the interest of streamlining and making government more effective. What it does is lessen those protections that workers have come to rely on.

We think and we believe that changes to the Employment Standards Act ought to be predicated on the fact that vulnerable workers in this province require a certain degree of protection and have enjoyed that protection for many years. We look forward to further amendments and we will debate them and continue to represent the views of those who need their views represented the most: the



most vulnerable workers in our society. This is an important beginning to amendments to an important piece of legislation. We'll be there to protect the interests of those who are least able to protect themselves.

**Mr David Christopherson (Hamilton Centre):** Today we see yet one more piece of this government's ongoing, relentless attack on the rights and protection of workers. Their announcement of changes to the Employment Standards Act of course not only waters down the rights that workers have but is in large part meant to cough up the \$2.4 million that the Ministry of Labour is contributing towards the tax cut.

We know, because in the document tabled by the government with their business plan, sketchy as it was, that the changes to the Employment Standards Act were included in a section of this report that showed where they were going to find savings. I don't imagine there can be doubt in anyone's mind in the province of Ontario that when this government talks about savings, when it has to do with the rights and protection of workers, it means those rights and protections are under attack and that they're losing them.

In this case, we're looking at \$2.4 million in 1997-98 that's meant to be saved by amending the Employment Standards Act. That means fewer rights, less protection for workers in legislation, therefore less need for employment standards officers because there are fewer rights to enforce and therefore this government can lay off staff and contribute its portion of the \$5 billion needed to pay for the tax cut, of which, as we all know, over half will go to the top 10% income earners in the province.

1400

In the short briefing that we had just before question period on the content of this legislation, because as yet we have not had a chance to review it, we were told that from now on there'll be a maximum amount of \$10,000 that a worker can claim under the Employment Standards Act. Currently, there are several hundred cases a year where workers are awarded more than \$10,000. This government says the Ministry of Labour no longer has any interest in those cases. You've got to go off to a civil court process, and if that means more cost to the worker, more cost to the employer, more of a burden on the court system, which we've heard the Attorney General talking about needing to come to grips with, so be it. If those costs increase, so be it. It doesn't matter because the Ministry of Labour gets to save its portion of the contribution to the tax cut.

What else do we find? We're told that they're putting the right to provide for regulations in this law where they can set a minimum amount, where if your claim is less than that, you're out of luck; you no longer qualify. You cannot make a claim if it's under a certain amount. What will that amount be? We don't know. All we're told is that this law will make a provision for the cabinet to put in place regulations that will set that limit. That could mean if they set it at \$100, because to a lot of the Tory members and their supporters \$100 is nothing but to a lot of workers \$100 is in many cases \$100 they worked for, are entitled to, this government could now put a regulation in place that says, "If your claim is \$100 or less, it doesn't count; you can't do anything." According to the

stats that we were able to get a hold of, that means about 1,000 people a year, if it was set at \$100. Obviously it would be even more if it was set lower.

One of the most insidious things that I found sitting listening to the briefing earlier was that it's now possible under this new law for collective agreements to provide for rights and protections that are less than the Employment Standards Act, less than the minimum provided for in the Employment Standards Act. It relates to issues of hours of work, overtime pay, vacation pay, holidays and severance. They're talking, as I understand it, about the total package, as long as it's greater than, individual parts of that package can be less than, meaning, if you increase the overtime rate, you can provide fewer public holidays than the law requires you to.

The problem there is that first of all, with unions under attack, with scabs now being made legal again, the intent of this government is to water down the effectiveness of unions. We already see with the Jockey Club, for instance, a strike that's ongoing becoming very bitter because there are scabs involved in that strike. This government's tipped the balance in favour of employers. That's the name of the game. So if you can provide where a collective agreement can give you less than the Employment Standards Act, all you need is a weak union and you can force them to sign anything. This government's intent has been to go after unions, workers and their rights and people will not stand for it.

#### HOLOCAUST REMEMBRANCE DAY

**Hon Charles Harnick (Attorney General, minister responsible for native affairs):** Mr Speaker, I ask for unanimous consent to acknowledge Holocaust Remembrance.

**The Speaker:** Do we have unanimous consent? Agreed.

**Hon Mr Harnick:** On April 16 at sundown, Jews around the world lit memorial candles in observance of Holocaust Memorial Day and the six million Jews murdered by the Nazis during the Second World War. As we stand in remembrance, the sufferings and the testimonies of Holocaust survivors are a song, a hymn of praise and a testimony to the eternity of the Jewish people and the greatness of their spirit.

It is almost impossible for me to adequately express the fact that six million Jews were annihilated from virtually every town, village and city which the Nazis touched.

Without the memories and testaments of the Holocaust survivors and their families, this horror might be allowed to fade into the pages of history, which it must never be allowed to do if we are to ensure that it never happens again. As time passes, it is going to be more difficult to convey to future generations what happened in Eastern Europe during the Second World War.

Today, a number of Holocaust survivors have joined us. These men and women have been honoured by the Canadian Society for Yad Vashem, the Holocaust Martyrs and Heroes Remembrance Authority. Joining us today are Mr Efim Multianer, Mr Leo Drukmaler, Mrs Catherine



Horvath, Mr George Horvath, Mr Louis White, Ms Ada Hefter, Mr Joseph Klasner and Mr Thomas Simon Newman. If we could welcome them to the Ontario Legislature.

That these survivors chose to rebuild their lives here in Ontario is a point which we honour by not forgetting the horror which forced them to move here.

This past year, I had the opportunity to visit Israel, a nation which arose in 1948 out of the ashes of the Second World War and where so many other survivors eventually arrived. Israel has been and remains a haven for Jews, a home to go to, a place to seek a new life, a place where the desert has blossomed and where life has been changed from darkness to light.

Canada and Israel are very different nations with very different histories, but we share in common a recognition of the horror of the Holocaust and a commitment to ensuring that it is not forgotten.

As we look at the world today, it is already apparent that some people and nations have forgotten the atrocities that the Jewish people endured during the Second World War. As a people and as a nation, we cannot allow the world to forget as once again the horror of "ethnic cleansing" is visited upon the world. We must all work together to ensure that the memories of both the survivors and those who died during the Holocaust are not forgotten.

As I've done previously, I would like to conclude my comments with a quotation from the Rabbi of Bluzhou, Rabbi Israel Spira, a Holocaust survivor. In his teachings he stated: "Every day, every child, after studying the daily lessons prescribed by our sages, should learn about the Holocaust, for it says in our holy Torah, 'Then it shall come to pass, when many evils and troubles are come upon them, that this song shall testify before them as a witness.'" This is from Deuteronomy 31:21.

The sufferings and the testimonies of Holocaust survivors are a song, a hymn of praise, and a testimony to the eternity of the Jewish people and the greatness of their spirit. Thank you for the opportunity to bring this to the Legislature today.

**Mr Monte Kwinter (Wilson Heights):** Last week I made a statement to the House commemorating Yom Hashoah, Holocaust Remembrance Day, and today we have an opportunity to put a face, a body, to those who survived.

We have eight members who survived the Holocaust, who have come to Ontario, who have made a life for themselves and have made an outstanding contribution. In what context? After the war, western theologians were trying to reconcile the horrors of the Holocaust between God, civilization and the horrors of Auschwitz, and a growing body of literature grew up trying to come to terms with this particular conundrum: How, if there is a God, was this allowed to happen?

Now we have another body of literature, sadly, coming forward that denies that the Holocaust even happened. We have a situation where today there are desecrations of synagogues, there are defacings and vandalism in cemeteries, there are growing signs of anti-Semitism and, as I say, most disturbing of all, a growing body of literature that even denies that the Holocaust happened.

I challenge all of us to take a look at the eight individuals in the Speaker's gallery, and face them and tell them that the horrors that they experienced and the viewing of their families being slaughtered and being separated didn't happen. It is something that makes no sense, and yet as time and distance removes us from the situation of the 1930s and the 1940s, we have this growing situation.

The survivors had a vow that those who survived would remember those who perished from generation to generation and that they will remember. It is up to us, as citizens of Ontario, of Canada and the world, to make sure that those who perished — "the Holocaust" is an Old Testament term for dealing with sacrifice. If it turns out that this was a sacrifice for nothing, then we as humans have all lost. It's imperative that we always remember so that the world will never forget.

1410

**Mr Bud Wildman (Algoma):** I join with my colleagues in remembering and celebrating. This is a time to remember the Holocaust, and the individuals who are here with us in the gallery are a testament to what we should be celebrating as well, and that is a commitment to humanity, a testament to the strength of the human spirit, that they could suffer so much and yet go on to contribute so much to our society. As my colleagues have indicated, it's something that those of us who have not experienced it directly sometimes have difficulty understanding, and we run the risk, with the passage of time, of having the memory fade.

If I could be permitted to relate a personal experience: I would indicate to you that I never really understood, although I had studied the Holocaust, the emotion, the terrible personal loss that survivors have experienced, until a couple of years ago when a close family friend who is a Holocaust survivor visited my wife and myself after a tragedy in our family, along with a clergyman. We had a long talk in which he explained what it meant to him to have lost his family and the fact that he survived himself only because the Belgian underground hid him throughout the war. The clergyman who was with us said to him, "But what happened to you was the result of unspeakable evil; what happened to the Wildmans was just an unfortunate, terrible accident." He responded and he said, "The fact that I survived was an accident," and to me personally, that brought home what it meant to be a survivor.

As we experience every night on the newscasts what is happening in Bosnia, what has happened in Rwanda and Burundi, sometimes I guess we might be tempted to wonder if the sacrifice of the Holocaust was in vain. But surely if one individual can bring home to me the humanity of that experience, then in remembering, we will all be driven to struggle, to strive, to ensure that despite our human failings we will not destroy one another, but rather live to celebrate our achievements together.

**Mr Rick Bartolucci (Sudbury):** On a point of order, Mr Speaker: In response to an answer on Thursday, May 9, on page 2872 the Minister of Municipal Affairs and Housing indicated in his answer in part, "municipal tax increases this year" —

**The Speaker (Hon Allan K. McLean):** Order. You can correct your record, but you don't have the right to correct somebody else's record.



**Mr Bartolucci:** No?

**The Speaker:** You can correct your record, but you can't correct the minister's record.

## VIDEO LOTTERY TERMINALS

**Mr James J. Bradley (St Catharines):** On a point of order, Mr Speaker: I would like to ask this question of you, and you may be able to help me on the ruling in the House.

The Minister of Finance the other day made reference to a study or a document which was related to a police document on video lottery terminals. I read somewhere in the rules at one time that if a minister makes reference to it, it is supposed to be tabled in the House. Is that correct, or would you at least look into it, perhaps to be fair to you?

**The Speaker (Hon Allan K. McLean):** Thank you. I will.

## ORAL QUESTIONS

### JUSTICE SYSTEM

**Mrs Lyn McLeod (Leader of the Opposition):** My first question is for the Attorney General. This government has clearly broken its promise not to touch spending for law enforcement. Minister, it is clear that you have to cut millions of dollars from your law enforcement budget and it appears that you are going to do that by prosecuting fewer so-called minor crimes.

Your plan, as we understand it, is that criminal offences such as house break-ins and thefts will no longer be treated as seriously as they once were and as they must be. It is not a minor crime or a lesser crime when your home is broken into, it's not a minor crime when someone steals from your business, but it appears that in Mike Harris's Ontario it is about to be open season for house breakers, fraud artists and car vandals. Will you tell us today exactly what your plans are to scale back prosecutions for crimes such as breaking and entering and theft?

**Hon Charles Harnick (Attorney General, minister responsible for native affairs):** Let me at the outset say that I have no plans to scale back the prosecution of crime in the province of Ontario. I am quite frankly very, very disappointed that the Leader of the Opposition would read something in the newspaper and all of a sudden it becomes the gospel and then it is used to strike fear into communities across the province.

*Interjections.*

**The Speaker (Hon Allan K. McLean):** Order. I'm having a problem hearing the answer.

**Hon Mr Harnick:** Let me outline for you some of the research that you get out of the media. The media said that I'd be cutting 33% from the Ministry of the Attorney General. Wrong. Eight per cent.

The media said that I'd be closing — it was front-page news — 50 courthouses across the province. You know what? Wrong again. Fifty courthouses have not been closed.

They said there were going to be 120 crown attorneys cut from the system. Wrong again. They've said we're going to get rid of all the court reporters in the province of Ontario. What we might do is start five pilot projects for electronically dealing with court reporting on an experimental basis.

What we are doing in the province of Ontario is developing a plan that will streamline the justice system so we won't have any more situations like the Askov case when the Liberal Party was the government, which ignored the backlog and had 60,000 cases of very serious offences struck from the system.

**The Speaker:** Wrap up your answer.

**Hon Mr Harnick:** We will develop a system that properly deals with every crime that comes before the system.

1420

**Mrs McLeod:** I listened very carefully to what the minister said. I asked him a straightforward question. He acknowledged he is streamlining the system. It is clear that he has to cut millions of dollars from law enforcement that was not supposed to be touched. Law enforcement includes policing and includes charging and includes prosecution. As you streamline the system, you are going to gut law enforcement in order to pay for a tax cut.

I asked the minister to tell us what changes he was proposing to find the millions of dollars he needs to pay for the tax cut, and he did not respond.

**Mr Alvin Curling (Scarborough North):** Give him a chance, Lyn.

**Mrs McLeod:** We will indeed give him a chance, because the rumours that he suggested are out there are very worrisome. It's worrisome to think there will be fewer investigations, fewer charges and therefore fewer prosecutions of house break-ins and car thefts when in 1994 there were almost 400,000 business and residential break-ins in Ontario, when there were almost 40,000 cases of fraud.

These are very significant crimes to the people who are hurt by them. The very thought of the kinds of changes you are contemplating worries people like the High Park Residents' Association in Toronto who say this proposal is "a green light for thieves." Minister, I don't know how a government that campaigned on a solemn commitment not to touch justice or law enforcement can even contemplate changes that will gut law enforcement to pay for the tax cut, but I ask you to tell us what you are going to change.

**Hon Mr Harnick:** There's not one penny coming out of the Ministry of the Attorney General to pay for any tax cut. Furthermore, in terms of the overall budget there's maybe a 1.1% difference in the criminal prosecution's budget from last year and the year before.

Mr Redekop of the Junction-High Park residents' group said that "the government should focus on alternatives to court for property offenders."

"I think it's fair that we have to find ways of dealing with these issues other than a long litigious system which benefits mainly lawyers, but just saying we're going to put these all off — that's not the answer."



We're not going to put them off. We're going to do a better job at pre-trial diversion, post-trial diversion, screening pre- and post-trial, we're going to deal with more minor cases and every single one of those cases is going to have a sentence imposed. We're also going to ensure that we can always properly prosecute serious crime in this province. That is the intention and that is exactly what we're going to do. Every case will have a proper sentence. That is the commitment of this government.

**Mrs McLeod:** There's a certain pattern developing with ministers in this government. Whenever there is a so-called rumour out there they say: "That's all it is. It's just a rumour. No decisions have been made. This information has no basis in fact." Then lo and behold, what do we find the next day? The rumour turns out to be absolutely factual.

Closing family support offices across the province? No decisions have been made on Thursday, but on Friday we see that clearly those decisions are being made.

There is one decision. It's not enough to bluster about what you would like to do; it's not enough to bluster about streamlining. The question was, what are you doing to take money out of the justice system, which means fewer cases will go to court? Clearly you are considering having fewer cases go to court and result in prosecution and conviction.

Minister, what has to be clear, the decision that has to be made — it's not good enough to say no decisions have been made — is that you and your government will keep the commitment not to cut dollars from law enforcement. The commitment was clear that you would not be cutting dollars from law enforcement, that you would not be scaling back prosecutions for any type of crime, even in the name of diversion. Will you make those commitments today?

**Hon Mr Harnick:** We will not be scaling back prosecutions in this province one iota.

I have a lot of trouble from the Leader of the Opposition who was in a government that, because of their inaction and because of the fact that they didn't care about how the system worked, saw 60,000 cases of drunk driving, sexual assault, manslaughter, murder jettisoned from the court system because they wouldn't streamline the court system to ensure that we could prosecute serious crime.

This government is doing just that. There will not be any cutbacks to prosecutions. We will do a better job dealing with less serious crimes and a better job dealing with serious crimes, but no cases will be lost and there will be no scaling back of prosecutions by this government.

Might I also say that if the Leader of the Opposition believes the Toronto Star is the place to do her research, that's her problem. But let me tell you, we said in opposition and we say when we're in government that the crime of breaking and entering into someone's home is a serious offence and we will not turn a blind eye to any of those cases. They will all be prosecuted by this government.

**The Speaker:** New question.

**Mrs McLeod:** We know we're in trouble with any government that says it will not touch law enforcement and cuts \$115 million from the operating budget —

**The Speaker:** New question.

## RENT REGULATION

**Mrs Lyn McLeod (Leader of the Opposition):** My second question will be to the Minister of Housing. As he will know, today the Coalition to Save Tenants' Rights pinned an eviction notice to the doors of this building, and they did it because they wanted to show their fear about what you're planning to do to gut rent control and to leave tenants across this province without any protection.

You have been very unclear, Minister — "unclear" is putting it mildly — about what your plans are. You will tell landlords that you're going to scrap rent controls at the same time you're going to tell tenants that somehow you're going to beef up tenant protection. Obviously, people are concerned about plans that are again being made that are only rumours but are about to become a fact.

We have thousands and thousands of postcards, Minister, that have been sent to us by people who want to tell you that rent control is necessary. They want you to know that they cannot afford exorbitant rent increases. Don't leave these people in fear and confusion. Will you come absolutely clean with your plans? Are you intending to strip away rent controls?

**Hon Al Leach (Minister of Municipal Affairs and Housing):** We have been very, very consistent in our approach with rent control. We have said that nothing's going to happen to the existing system until such time as we have something that provides protection for tenants, and we are going to do that. We are going to bring forward our proposal in the very near future and we will be going through a full consultation process with all of the stakeholders involved before we make any changes to the existing legislation. I have been very consistent with that approach.

**Mrs McLeod:** If you've been consistent, Minister, it may be in line with what you told the Fair Rental Policy Organization on November 27 when you said, "Market-place rent control will take the sledgehammer out of the hands of tenants and provide a level playing field." That doesn't sound much like tenant protection to me.

Let me get very specific. I think you would agree the most basic provision in rent control is that all tenants in the province are covered. We understand that you are planning to change this most fundamental principle, and as we understand it, one of the plans you're looking at is that as tenants move from one unit to another, they lose the protection of rent control. If they stay in their apartment, they're covered; if they move, the new unit is no longer covered and the unit they left would be decontrolled. This is clearly a way to, step by step, simply abandon rent control.

**Hon Michael D. Harris (Premier):** Wrong. You are fundamentally wrong every time you stand up and say anything.



**Mrs McLeod:** Minister, is this the plan? Are you planning to scrap rent control through this back door, underhanded method?

**Hon Mr Leach:** We plan to take our proposal out to the stakeholders, all of the associations, and I can tell the member across that we've had conversations with all of the interested stakeholders. They're quite aware of the direction we're going in.

I think we have a proposal that will bring balance to the system, something that will enable the industry to get back into building new rental stock. There's absolutely none being built anywhere. We have tens of thousands of tenants looking for some place to live, but with the existing system, nobody will build. We have to find a balance that will provide protection to tenants, which we intend to do, plus provide incentives to the industry to get back and to build. We will see that proposal coming forward very shortly.

#### *Interjections.*

**Mrs McLeod:** I find it surprising that the Premier is sitting in his seat saying: "No, no, these are not the plans. This is just one more wild rumour that somebody's hearing about what this government is not planning to do." Yet, Premier, because we can't see your plans, you're not prepared to show us your plans, all we have is you saying in Stoney Creek two weeks ago, and I'm quoting: "There's no question that a thriving, competitive, active, vacancy surplus marketplace will keep your rent lower than any government plan." That doesn't sound like rent control to me. That sounds like a man, a Premier, and a government that are planning to scrap rent control.

1430

Minister, instead of you and your Premier playing games with words and cooking up complicated schemes to hide what you're doing, why don't you just admit that you are planning to get rid of rent control and let rents go sky-high, whatever the market says, and that we'll find out your real plans some time after May 23?

**Hon Mr Leach:** What I've said we are going to do is to take our proposals to the stakeholders so they'll have every opportunity to have input for it.

I think, again, the opposition party is flip-flopping around. They said in their red book, and their housing critic said in the estimates, that the existing system doesn't work and has to be fixed. How are you going to fix it if you don't change it?

I think the Liberal Party and the NDP are the only people in the world who are in favour of rent control. I can tell you that the Toronto Star, that bastion of Tory support, says that rent control should go. The Toronto Sun says rent control should go. Canada's national newspaper says rent control should go. Why don't you wake up and smell the coffee?

#### *Interjections.*

**The Speaker (Hon Allan K. McLean):** Order. Would the House please come to order. These outbursts do not do any good at all.

### POLICE SERVICES

**Mr Howard Hampton (Rainy River):** My question is for the Solicitor General. In the Common Sense Revol-

ution, the Conservative Party promised that funding for policing would be guaranteed. On page 5 of the Common Sense Revolution, the Conservative Party stated, "Any actions we take will not result in increases to local property taxes."

Now, about nine months later, we have a discussion paper that was issued by the Ministry of the Solicitor General which talks about the financing of police services. On page 11, it states: "Since property tax is the largest source of revenue to municipalities, it is likely that many of the 576 municipalities will raise property taxes to finance the costs of police services in their communities."

From your discussion paper, Solicitor General, it becomes clear that you are going to pass the cost of policing to municipalities, which have no choice but to raise property taxes. Why didn't you tell people and communities that provincial funding for policing was being cut in order to find money for your tax break? Why don't you tell people that municipalities will be forced to raise a head tax now to cover the cost of policing?

**Hon Bob Runciman (Solicitor General and Minister of Correctional Services):** That is, as the member described it, a discussion paper. It was a discussion paper drafted by all of the various stakeholders in the policing community across this province, a steering committee that wanted to put virtually every option on the table for discussion. I can't stress more than that: This is a discussion paper.

There will be a policing summit in June where all the various options available to the stakeholders in the policing community will be discussed. We'll be moving out of that towards some legislation in the fall. Really this is the first in-depth review of policing in 25 years in this province, and I'm proud of it.

**Mr Hampton:** This is interesting once again. Last spring it was a promise: No cuts to policing. Last spring it was a promise: No actions that will result in the raising of property taxes. Now it's open for discussion.

What is open for discussion? What it is is this: There are all kinds of municipalities in rural Ontario and in northern Ontario that are going to be asked to raise their property taxes substantially, because they're going to be told that they have to cover the cost of OPP policing.

Let me put it this way: Your document states that in rural and northern Ontario, "regardless of mechanisms for allocating and/or phasing in the costs of OPP service, it is likely that any increase in property taxes could create financial hardship for some of these municipalities."

Let me ask the minister: Last summer, it was a promise — not a half promise, not a one quarter promise; a promise — "No cuts in policing services and no increases in property taxes." How does he get away now with proposing that municipalities cover all this?

**Hon Mr Runciman:** If I have to, I'll go back to the quotes that I delivered last week to the same party with respect to the former Solicitor General, sitting directly behind him. He should turn around and ask him what his position was and what his government's position was with respect to equitable funding. I have made — we talk about —

**Mr David S. Cooke (Windsor-Riverside):** You made the promise, Bob.



**Mr Tony Silipo (Dovercourt):** You said you weren't reducing funding to policing.

**Mr Cooke:** Don't be so phoney. You made the promise.

**The Speaker (Hon Allan K. McLean):** Order. I can't hear the answer.

**Hon Mr Runciman:** Obviously, they can't deal with the truth. When we were in opposition, I was clearly on the record, my party was clearly on the record in favour of equitable financing for police services right across this province. We've always said that. We said that in opposition. I pressed the then minister to move in this direction. We're doing exactly that now that we're forming the government. We're keeping our promises; we're keeping our commitments.

**Mr Hampton:** The Solicitor General makes an allegation that a former government was looking at this. Yes, there were a few wisenheimers in the civil service who advocated this, and as a government we had the good sense to turn it down. All right? Let's get straight about it: We had the good sense to turn it down.

Your report further says, your discussion paper further says that you are suggesting to boards of education that they pay police services for crime prevention videos. Get it? The police, under this Conservative government, are now going to charge school boards for community policing services. Not only that; we have this in the face of school board budgets being cut.

Last summer it was a promise that you were not going to cut policing services and you were not going to raise property taxes. Now it's open for discussion that you will raise property taxes, that you will cut policing services, and even school boards are going to be forced to pay for policing services. How do you get off on this?

**Hon Mr Runciman:** The member's comments about the public service were a cheap shot. It's clearly on the record, and I indicated that if he was in the House last week he would have known. I quoted my predecessor as a Solicitor General clearly on the record on at least two occasions standing up and indicating that we had to move towards equitable financing. We have municipalities in this province paying for their OPP —

**Mr David Christopherson (Hamilton Centre):** You made a promise you can't keep, and you knew it.

**The Speaker:** The member for Hamilton Centre, come to order, please.

**Hon Mr Runciman:** I quoted municipalities in northern Ontario as well indicating that they believe quite clearly that it's not fair. We're going to bring fairness to the system. I've always said we'll bring fairness to the system. That's what we're doing. We're not breaking any promise; we're keeping a promise.

**The Speaker:** New question, the member for London Centre.

**Mrs Marion Boyd (London Centre):** My question is also to the Solicitor General, because I think we have to get to the bottom of how he thinks this government is going to keep its promise around maintaining policing, around guaranteeing that policing will be maintained when he says first of all they will stick with their promises around taxation and that sort of thing. It just doesn't make any sense.

1440

In this same discussion paper you admit that — and I quote from page 19 — “Without adequate financial support, many police services may be compelled to reduce service levels and/or cut existing crime prevention or law enforcement programs.” We hear you shouting over there that, first of all, you are not going to reduce policing; you do not favour municipalities raising taxes, even though your government reduced your grants to them by 43% —

**Mr Rosario Marchese (Fort York):** That's a minor detail.

**Mrs Boyd:** Just a minor detail — making them make cuts to policing. Really, when you say this, are you saying very clearly to the people of Ontario that you expect police services to reduce their service levels and cut existing crime prevention and law enforcement programs? Is that what you're saying?

**Hon Mr Runciman:** I've indicated on a number of occasions since December, when we announced a significant review of the structure and financing of police and the governance of police in this province, the first major review undertaken in a quarter of a century, that we're going to look at all of the various roles and responsibilities of police officers right across this province.

Even in discussions with rank-and-file officers, they know their areas they can move in to improve the ability of officers to be on the front lines. We may be looking at paperwork burden. We may be looking at oversight. We're looking at questions like prisoner transportation: Should police be involved in that? Court security: Is it necessary to have a fully trained, highly qualified police officer involved in court security? In traffic management and in parade situations — a whole range of responsibilities where questions have been raised about whether indeed we need a fully trained, highly paid police officer in that responsibility and in that role. This is a very significant review. We're looking at every issue, every possible question that could be raised.

Again I emphasize that these are discussion papers. They are not policy statements; they are not policy directions. They are encouragement of discussion surrounding some very detailed issues.

**Mrs Boyd:** Well, Mr Solicitor General, it is very interesting that this discussion paper was not widely available. You have selected very few people to distribute it to. We couldn't get one until someone kindly gave it to us. It's very important that you admit that your level of discussion does not allow people to really explore the issues.

Your document stipulates that, due to the current fiscal reality, police services may wish to explore partnership opportunities with public and private institutions, and it goes on to state that the opportunity may exist to reduce the burden on police services in the province by “providing certain narrow powers to particular individuals employed by designated organizations and institutions that have specific security needs that would otherwise have to be provided by the public sector.”

You want to minimize the need for police by relying on the private sector. You want little private armies of people hired by other institutions to do the policing instead of the highly trained and publicly accountable



police. Are you really proposing that services that are presently provided by police be provided by those private organizations because your government is unable to keep its promise to guarantee policing funding?

**Hon Mr Runciman:** It must have been desperation day at question period meeting this morning. I'm not proposing anything. This is a discussion paper. These issues were drafted by a steering committee involving all the stakeholders across the province. These are not policy directions.

I'm not sure what more I can say to the member in terms of these kinds of issues. I think it was the consideration of everyone involved in the policing community across the province that those kinds of issues should at least be looked at and discussed at the summit in June. That's all it means.

**Mrs Boyd:** You also in this discussion paper want police services to explore the use of unpaid volunteers to support the functions presently being provided by paid members of trained police services.

A few weeks ago you stood here in this House and elsewhere, speculating about whether welfare recipients forced to perform workfare situations could provide security in local neighbourhoods instead of the police, and you would have untrained people with varied backgrounds, conceivably thrown into hazardous situations, who might then become a danger to themselves, the community and the police themselves. You're the one who speculated on that, nobody else, and when you were asked about it, you certainly didn't deny that you thought that might be a possibility.

You are belittling in this discussion paper and in the comments you make the expertise and training that police officers bring to the job they perform. Is that the kind of policing your government said it would guarantee?

**Hon Mr Runciman:** I want to indicate that —

**Mr Christopherson:** Do you put a flag on the fender when you go to the summit, Bob?

**Hon Mr Runciman:** That's only something you would do, David.

The irony of it is that those of us who have been around this place for some time realize the — I can't use the word, but I think you all appreciate the word that I would like to use with respect to that party's support for policing and public safety. They have a dismal record.

I want to indicate that just before I came to this House I was down at Metro police headquarters, where I announced \$2.24 million of new money going into community policing efforts across this province. Following that, I visited the Centre of Forensic Sciences, where I announced over \$2 million going into the expansion of the DNA lab in this province.

We're committed to reinvesting in the justice system in this province. We're committed to bringing policing into the 21st century. We're going to keep our commitments, we're going to keep our promises, and we're going to have a much safer Ontario as we go into the next century.

**The Speaker:** New question.

**Mr David Ramsay (Timiskaming):** I'd like to continue this line of questioning with the Solicitor General. You had mentioned that this is only a discussion

paper, yet two weeks ago we had a concrete example of your new pay-for-policing policy where in Ottawa the car dealers had to pay for the conclusion of a car theft investigation. We're seeing this already, so it's a reality today.

Now your discussion paper goes beyond that, saying the police are going to have to spend some of their time off the street and raising revenue to give police services in Ontario, so the police are going to sell advertising and market crime-related products.

Minister, what's policing coming to in Ontario? In the election you said there wouldn't be any cuts to policing. Now you're telling them they're going to have to go out and raise their own funds. We don't want our police to be hucksters. We don't want them to be into show business. We want them to be making policing in Ontario the world-class policing system that it is. Minister, are you running a police force over there or are you turning it into a circus?

**Hon Mr Runciman:** The only circus these days is a Liberal caucus meeting.

In his question, the member raised one valid point, and that had to do with the Ottawa situation. I have a real concern about that as well, and the ministry is taking a look at the appropriateness of that. On the face of it, I agree that was an inappropriate measure, and we're going to develop a policy with respect to those kinds of contributions.

But I will say that the involvement of the community in support of police is not something new. In my own community, for years the Lions Club service clubs have been involved in purchasing new police vehicles, in assisting in the purchase of police boats. We've had this year the involvement of private sector firms in the sponsorship in Metro and expansion of the RIDE program.

I think these kinds of initiatives and involvement of the community and the private sector are welcome. I do not think they're wrongheaded at all, but there are issues concerning the kinds of support that we're going to spell out clearly are not appropriate.

**Mr Ramsay:** This is just another example where Ontario is starting to look more and more like New Jersey. Are we going to have OPP officers now on television endorsing The Club? Are you going to be doing those all-night infomercials maybe with Mel Lastman pushing pepper spray? I don't know. You'd better change that mad dog image there if you're going to be doing that. Minister, if you go down this road, one of two things is going to happen. People are going to be afraid to ask for assistance in this province because they're afraid they're going to be charged because you're going to start to charge people on nuisance calls, or it's only going to be the well-heeled in this province who are going to get the adequate, proper policing that all Ontarians deserve.

Minister, are you going to stop this nonsense and ensure that Ontario continues to have the world-class police force that we're all proud of?

**Hon Mr Runciman:** This kind of rhetoric does no one any good. I want to say, I've met with police services right across this province. I was at Metro today, and they understand the tough financial pressures this government is facing as a result of spending policies, in part, of that member's government.



We're dealing with it in a very positive way and I'm getting that kind of feedback from rank-and-file officers right across this province. They feel very positive about what we're doing and the fact that we're taking a look at very serious issues that were avoided by governments of the past. These are issues that have been crying out for a serious review and we're moving in that direction. The kinds of issues that you are raising today simply don't merit response.

1450

#### POST-SECONDARY EDUCATION

**Mr Bud Wildman (Algoma):** I have a question to the Minister of Education and Training. The minister will know that on March 28, on TVO, the Premier made the following statement regarding private universities in Ontario: "I don't see anything wrong with a private sector, private university system. No taxpayers' dollars. They have to meet standards and set those standards. I personally believe that competition might be good for our institutions."

Minister, are you intending to establish a private university system in Ontario?

**Hon John Snobelen (Minister of Education and Training):** I think the leader of the third party is aware of the fact that there are a variety of private post-secondary programs offered across the province now, and some of our universities are considering some private, outside-of-provincial funding structures for some of their courses. There already exists a body of that sort of education and training available to people in Ontario now.

We have a discussion paper that we look forward to releasing in the very near future that will look at some of these issues as they relate to the future of post-secondary education in the province. I look forward to that discussion with the universities, with the colleges and with students across the province. We want to make sure we do what meets the needs of the students.

**Mr Wildman:** The minister talked about certain types of programs at certain institutions, but it appeared that the Premier was talking about a freestanding private institution. As a matter of fact, he said, "Before the mandate is out, or before I retire, it is something I'd like to put before the people."

We've talked to Michael Piva of the Ontario Confederation of University Faculty Associations. He says: "Privatizing Ontario's universities is the wrong solution to the problem of underfunding that has been exacerbated by this government. It will inevitably lead to a two-tiered university system, one for the rich and another publicly funded system for the poor."

Minister, let's be straight here and let the people of the province know what exactly your government is intending. You've cut funding, you've increased tuition fees, and now it appears you're paving the way for an American-style, privatized, two-tiered university system in the province. How can you assure the people of the province that there will be equal accessibility to the system and that the institutions you may be going to allow to be established will ensure that they have the same standards

as the publicly funded institutions and that we don't end up with a two-tier system?

**Hon Mr Snobelen:** I note the honourable member's delectation at using half a quote, or misusing it. My understanding, and I read the media report, didn't suggest at all taking one of our 18 universities and privatizing it. As a matter of fact, what it said is we should have a look at what services might be provided to students, without taxpayers' support, by other institutions, by other organizations; what might happen that's new in the province of Ontario in the area of post-secondary education. I think there's no point in taking that quotation and making it into something that it didn't mean to imply.

We are going to have a discussion paper and we will be taking to the people of Ontario a discussion about post-secondary education. The principal piece of this will be about how we have the proper access to post-secondary education in the province of Ontario. If private university fits into that structure, why wouldn't we consider it?

#### EDUCATION REFORM

**Mr Jack Carroll (Chatham-Kent):** My question is also for the Minister of Education and Training. In talking with several OAC students in my riding, they expressed some concerns about the way OAC marks are collected. It seems that several students take OAC courses two, three, even four times, either to pass or to upgrade their marks. Since these marks are used to determine qualification for university admittance and determine qualification for specific courses at university, would you not agree that it would be a fairer system if somehow the high school transcript could show the number of times a high school course was taken?

**Hon John Snobelen (Minister of Education and Training):** I want to thank the member for Chatham-Kent for the excellent question. Given that my father's side of our family came from the Chatham-Kent area, I'm not surprised at the quality of question, because I recognize the fact that there are a lot of great thinkers in that area of Ontario.

The member is quite right that currently only the highest mark a student obtains is recorded on their transcript and students frequently repeat courses so as to get a higher mark for college or university entrance. This is unfair to students who have earned a high mark their first time through a course and it's unfair to universities and colleges, which rely on these marks for entrance standards. The colleges and universities have been calling for some time for a more open transcript so that they can determine the number of times a student has taken a course and all the marks that have been obtained. This is one of the things we are considering in our secondary school reform, because we believe full disclosure would be useful both for the institutions and for the students.

**Mr Carroll:** I compliment you on that initiative. I think it's a great approach.

*Interjections.*

**The Speaker (Hon Allan K. McLean):** Order.

**Mr Carroll:** I didn't realize the compliment was quite that humorous.



Minister, can you imagine some circumstances where indeed there would be exceptions to your rule of showing the number of times a course was taken?

**Hon Mr Snobelen:** Yes, there are situations that we are considering where full disclosure may not meet the objectives of either the colleges and universities or the students. Some of those exemptions would include a severe sickness by a student or perhaps a death in the family, so we are considering those circumstances where perhaps full disclosure would not serve the purposes intended, and we will include those in our final position on disclosure.

### AUTOMOBILE INSURANCE

**Mr Bruce Crozier (Essex South):** My question is to the Premier. Your government has promised for some time now that you would prepare legislation for auto insurance. While all the parties agreed that it was helpful to review the draft legislation, we still have yet to see legislation placed before this House. The legislative clock is ticking, sir. Drivers with no claims and clean records are continuing to see their insurance premiums skyrocket, and drivers who have been out of the system for a short period of time are finding that they're being thrown into the Facility Association. In short, the situation is a mess and your government is dragging its feet. When can drivers in Ontario expect rate relief?

**Hon Michael D. Harris (Premier):** I appreciate the question, particularly on this day when so many new jobs are being created in the province of Ontario and the excitement is building about the prosperity and the excitement of the tax cut is coming forward, but that's just this day.

I accept on behalf of the government the member's compliments on the full consultative approach that we took to this so we can finally get it right. The input that was received by Mr Sampson on the draft proposal that was put out has been very beneficial. A number of changes he has recommended be made will answer some of the concerns you talk about with Facility and with the rates of insurance.

I would like to tell you that we could have had this finalized, but we inherited a mess of such gargantuan proportions from two governments that failed to deliver and really fouled up the auto insurance available here, with changes here and changes there, and then the Liberals and then the NDP, it was such a mess that it took a little bit longer than we thought, but I can tell you the results will be worth waiting for.

1500

**Mr Crozier:** I'm just a little disappointed, because when I came to this place I told the folks in Essex South that if anybody would answer a question, the Premier would, and he hasn't. You haven't told us when the legislation is coming down. In the meantime, insurance rates are going up at five or six times the rate of inflation. You mention the tax break. I suggest that even the rich, who are going to receive the bulk of your tax cut, are going to find it gobbled up in increased insurance premiums.

All you have to do is tell us. You've had enough time. You said last year you had a plan. In the fall you said you had a plan. We've had the committee meetings. We've had the report. When are you going to stop dragging your feet and put the legislation that you seem to be so proud of on the table?

**Hon Mr Harris:** I appreciate this question on this very special day when it was brought to my attention that the Lakehead school board, the Muskoka board, Nipigon, Ottawa, the Timmins board have all come in with zero tax increases, no teacher layoffs. They've all retained junior kindergarten.

So on this exciting day with all these zero tax increases, I really appreciate the opportunity to talk as well about insurance rates, which will be important to the municipalities and others who have a lot of vehicles as well. I want to repeat that it was a huge mess that we inherited, but the consultative process brought forward by my colleague Mr Sampson from Mississauga West has been an exhaustive process.

The member wants to know when the good news can be received by all the people of Ontario, and I will respond that as we are speaking now, the legislation is being drafted.

### TENANT PROTECTION

**Ms Marilyn Churley (Riverdale):** My question is for the Minister of Municipal Affairs and Housing. Minister, despite your soothing words in your answer to the Leader of the Opposition earlier, the tenants of this province say that you and your government have declared war on them and that they're not going to take it. They're starting to fight back.

As you know, the Coalition to Save Tenants' Rights tried to serve you with an eviction notice here at Queen's Park this morning. My colleague seems to have it right there.

*Interjections.*

**The Speaker (Hon Allan K. McLean):** Order. The member for Hamilton Centre is out of order.

**Ms Churley:** Their notice of eviction under section 107 of the Landlord and Tenant Act says — it's very short — that your government has "breached its obligations to the tenants of Ontario and has by an act or omission seriously impaired the safety or other lawful rights of the tenants of Ontario." These words mirror those infractions for which tenants can be evicted under the Landlord and Tenant Act.

Under the act, an eviction can be halted if a tenant takes certain action within seven days. Minister, within seven days will you promise to the tenants of Ontario that you will keep your hands off rent control and all other tenants' rights in Ontario?

**Hon Al Leach (Minister of Municipal Affairs and Housing):** To the member from the third party, I'm very surprised to hear that they've declared war on changes that we've made, because we haven't made any changes at all at this point in time.

I have met with every one of those tenants' groups. I have assured them that we will bring in a proposal that protects tenants' rights. But the first thing that tenants do



when they come in to see me is complain about the conditions of the buildings they're in, that the buildings are falling apart, that they don't have any choice about where to live because nobody is building any new ones, that maintenance is non-existent.

We have to do something that will allow an owner of a building or a landlord to be able to carry out those repairs, to entice people back into the building business so they can give tenants choices. We're going to introduce some proposals that will do that. But I'm still assuring the tenants of Ontario that there will be strong protections for tenants in our new legislation.

**Ms Churley:** The tenants of the province just don't believe you. Some of them have met with you and they come out of the meetings afterwards terrified because of what you're saying. You know that evictions in Metro have gone up about 33% during the term of your government, and that is before your new act.

The tenants are afraid you're committed to gutting rent control, bringing back the days of 30%, 40% and even higher percentage increases. I was a city councillor when that was happening in my riding. Our government put a stop to that and the tenants are terrified about what you plan to do. They say that because of your government, tenants who face eviction will also now lose their day in court.

Now I'm asking you very seriously, Minister, how can you call your package a tenant protection package when the legal aid clinics and other people who work directly with tenants every day say that all of your proposed changes will weaken tenants' rights and force more people out on to the street? That's what people are afraid of.

**Hon Mr Leach:** I think the member might have hit the nail on the head there, because that's one of the problems. Your party did stop everything. It stopped the construction of new buildings. There are no new buildings being built; 25 rental units built in all of the city of Toronto last year. That's a direct result of nobody being prepared to invest money in this province because of the ridiculous systems we have in place at the present time.

We have to entice people back into the building business. They are not going to do that with the legislation that's in place today. They have told us that. You know it's wrong, the Liberals know it's wrong, and it has to be changed. We are going to bring in a balanced package that will protect tenants and also get new stock built in Ontario.

#### VOLUNTEERS

**Mr Terence H. Young (Halton Centre):** My question is directed to the Minister of Citizenship, Culture and Recreation. Last Tuesday the Minister of Finance announced new measures to help generate an additional \$180 million a year for volunteer initiatives. Part of that was an allocation of up to \$10 million to support the work of volunteers, including a component dedicated to linkages among volunteer groups and agencies. Minister, can you tell us anything more about this exciting initiative?

**Hon Marilyn Mushinski (Minister of Citizenship, Culture and Recreation):** Thank you to the honourable member for Halton Centre. First of all, I want to recognize and thank the efforts of the member for Durham York, Ms Julia Munro. Her hard work and determination on behalf of the Premier led to the creation of this initiative that was announced last week.

As well, I'm very proud that this government has given my ministry the responsibility for developing this initiative to create linkages within the volunteer community. The province will commit up to \$10 million annually to coordinate, assist the work of and link volunteer service networks. Under the linkages program there will be increased capacity to match people in need of services with volunteers able to offer their time and their skills.

**Mr Young:** Madam Minister, on a short supplemental: When do you think linkages will be up and running?

**Hon Ms Mushinski:** My ministry is currently working on the development of this particular initiative, and I expect to make an announcement on the details of this program within the next few months.

1510

#### VIDEO LOTTERY TERMINALS

**Mr Monte Kwinter (Wilson Heights):** I have a question for the Minister of Economic Development, Trade and Tourism. On May 16, 1995, the current Premier wrote in a letter, and I quote: "A Harris government will not move on VLTs until all sectors have been consulted, all impacts are assessed and an agreement is reached on the distribution of revenues." As the minister responsible for the Ontario Lottery Corp and now responsible for VLTs, can you tell us when these consultations took place, when all the impacts were assessed and when an agreement was reached on the distribution of the revenues?

**Hon William Saunderson (Minister of Economic Development, Trade and Tourism):** We are very excited about the introduction of the video lottery terminal program. We have done extensive research, as the member asked, to be sure that they are phased in very slowly. First off will be at the racetracks, as you know, and then there will be the charity gambling locations, and then we will bring in the video lottery terminals in due course.

We are very fortunate that we've had the ability to watch what is going on in the eight other provinces that have had the VLTs. We have studied what's happened in those provinces very carefully. We're very comfortable about our decision and we're sure it's going to benefit all of Ontario and will be done properly.

**Mr Kwinter:** That has to be one of the more bizarre answers we have ever heard in this House.

I want to quote. On March 8, only eight weeks prior to the day the Minister of Finance announced the VLTs, I appeared at estimates with the minister. I started to talk to him about the potential for VLTs in Ontario. He said, "I think I should interrupt you right at the moment just to say that to date the decision of the government is that there will be no VLTs." That was only eight weeks before you announced them. I also want to quote a little

later on in the discussion. The minister said, "To say again...there are no VLTs on the horizon." All I have to say is, you either have a very short horizon or you have no idea what is going on in your ministry or this government. How can you stand there and baldly say you've done extensive research when eight weeks before the announcement you said there would be no VLTs and they weren't even on your horizon?

**Hon Mr Saunderson:** I'm very happy to have the chance to respond to that supplementary question. May I say to the honourable member that his question is just as bizarre as himself. When I made that comment we had not had all of the budget consultations received at that particular time. We were going through proper consultations. I felt that my answer was the correct one at that time, and I think what we're doing now is the correct action for the province.

### FAMILY SUPPORT PLAN

**Mrs Marion Boyd (London Centre):** My question is to the Attorney General. We were all interested earlier this afternoon to hear your response to the Leader of the Opposition's question when she asked you about the extensive stories about a drop in the level of prosecution in the province. You said you wouldn't see that happen.

I'm looking at the budget put out by your government, and your ministry is slated to drop from \$753 million in 1995-96 to \$637 million in 1996-97; that's \$116 million. You have so far talked about all the things that haven't been decided or that you're not going to do. The people of Ontario would like to know what it is you are going to do.

On Friday we heard about the budget plan on the FSP — family support plan — offices. You'd been asked about that before and you said no decision had been made, yet we understand the Deputy Attorney General has been going around from office to office of the FSP plan talking to the staff. They're expecting pink slips. Would you tell us what you're expecting to do with the FSP plan and whether that's where you're going to get some of that \$116 million in savings?

**Hon Charles Harnick (Attorney General, minister responsible for native affairs):** I've indicated that we are reviewing the family support plan in the province of Ontario. It's very interesting that prior to any discussions about changes to the family support plan members of the opposition would stand up and say: "Nobody is answering the phone. Nobody is getting good service. There is money that is out there that is going uncollected." Now we are reviewing the family support plan in a way that will provide better customer service for those who need the family support plan and in a way that will provide a better method of collecting money for mostly women and children whose support orders are not being paid.

We have right now in Ontario about \$900 million owing on family support plans. I listen to the opposition. One day they say: "The plan is terrible. You've got to change it." Then when you start to do a review to decide how to change it, they say: "Don't change the plan. It's just fine. We like it exactly the way it is." It is not good

enough that \$900 million remains outstanding in Ontario, mostly money due to children. It is also not realistic to leave the plan the same way it is now, because customers who need access to people can't get it. We're looking at making changes to make the family support plan better.

**Mrs Boyd:** It's nice for all of us to know that the minister has read the business plan and knows how he is to manage the problems that are likely to occur. This business plan says there are a number of contentious issues: first, staff layoffs — a lot of staff layoffs, 161 full-time equivalents; reduced local service delivery — local service delivery to people all over the province; perceived reduced telephone inquiry — reduced telephone inquiry to the plan; economic effect on local economies where the regional offices are located — my situation is one where London will be grossly affected and we're very concerned; and the last one, which should concern us all, will affect the Ministry of Community and Social Services, on whose behalf the plan enforces and recovers welfare payments, \$46 million worth last year.

Attorney General, when you talk about this, no one says the plan doesn't have to be fixed. We say what you are doing is going to gut it, because you are planning only to enforce those orders where there's a problem, instead of all the orders, so that it becomes a non-contentious issue, and you are putting women and children at risk who then will have to try to collect personally those payments through the courts.

**Hon Mr Harnick:** I don't know what can put women and children more at risk than the fact that there's \$900 million outstanding and that no one is implementing new ways to try and collect that money. That is exactly what we are going to try to do: to implement a system that will collect successfully a very large proportion, a much greater proportion of the outstanding money. As well, we're going to try and make the plan more friendly for those who have to use it. We want people to be able to call the family support plan and speak with someone who can deal with their problem immediately, without having to refer it. We're looking at making the family support plan better.

### PETITIONS

#### TAX REDUCTION

**Mrs Lyn McLeod (Leader of the Opposition):** I have a petition to the Legislature of Ontario.

"We, the undersigned, request that the Legislature of Ontario not approve any tax cuts until the causes of poverty and unemployment in Ontario are dealt with effectively and until the province's debt and deficit are paid down."

This is signed by a number of constituents in my riding. I have affixed my own signature because I agree wholeheartedly with the sentiment.

#### VIDEO LOTTERY TERMINALS

**Mr James J. Bradley (St Catharines):** I have a petition that reads as follows:



"Since video lottery terminals will contribute to gambling addiction in Ontario and the resulting breakup of families, spousal and child abuse and crimes such as embezzlement and robbery;

"Since the introduction of video lottery terminals across Ontario will provide those addicted to gambling with widespread temptation and will attract young people to a vice which will adversely affect their lives for many years to come;

"Since the introduction of these gambling machines across Ontario is designed to gain revenue for the government at the expense of the poor, the vulnerable and the desperate in order that the government can cut income taxes, to the greatest benefit of those with the highest income;

"Since the placement of video lottery terminals in bars in Ontario and in permanent casinos and various locations across the province represents an escalation of gambling opportunities; and

"Since Premier Harris and Finance Minister Eves were so critical of the previous provincial government becoming involved in further gambling ventures and making the government more dependent on gambling revenues to maintain government operations;

"We, the undersigned, call upon Premier Harris and the government of Ontario to reconsider its announced decision to introduce the most insidious form of gambling, video lottery terminals, to restaurants and bars in Ontario."

I affix my name to this petition as I'm in agreement with its content.

1520

#### RENT REGULATION

**Ms Marilyn Churley (Riverdale):** This petition is about rent control. It says:

"To Premier Mike Harris, Minister Al Leach and members of the Ontario Legislature:

"Whereas Mike Harris's Conservative government of Ontario is planning to destroy the present system of rent control;

"Whereas Mike Harris and the Conservative Party made no mention of scrapping rent control during the election campaign of 1995 or in the Common Sense Revolution document;

"Whereas a number of Conservative candidates in ridings with high tenant populations campaigned during the 1995 election on a platform of protecting the current rent control system;

"Whereas the government has consulted with special-interest groups representing landlords and developers while cutting funding to organizations representing the 3.5 million tenants in Ontario;

"Whereas although all renters will suffer, seniors and others on fixed incomes will suffer particular hardship if rent controls are abolished;

"Whereas eliminating rent control will result in skyrocketing rents in Ontario;

"Therefore we, the undersigned, call upon the Legislature of Ontario to stop the attack on the 3.5 million tenants of this province."

I affix my signature to this petition.

#### DRINKING AND DRIVING

**Mr John R. Baird (Nepean):** I'm presenting a petition today from constituents in Nepean and those from Ottawa, Stittsville, Kanata and Richmond, which reads as follows:

"To the Legislative Assembly of Ontario:

"Whereas drinking and driving is the largest criminal cause of death and injury in Canada;

"Whereas every 45 minutes in Ontario a driver is involved in an alcohol-related crash;

"Whereas most alcohol-related accidents are caused by repeat offenders;

"Whereas lengthy licence suspensions for impaired driving have been shown to greatly reduce repeat offences;

"Whereas the victims of impaired drivers often pay with their lives while only 22% of convicted impaired drivers go to jail, and even then only for an average of 21 days;

"We, the undersigned, petition the Legislative Assembly of Ontario as follows:

"We urge the provincial government to pass legislation that will strengthen measures against impaired drivers in Ontario."

I have affixed my signature thereto because I am in agreement.

#### EDUCATION FINANCING

**Mr Rick Bartolucci (Sudbury):** This petition was accumulated by the students at the St Albert Adult Learning Centre in Sudbury. It is to the Legislative Assembly of Ontario:

"We, the undersigned, disagree with the Conservative government concerning the cutbacks to our education and the layoffs of our teachers. Students need an education; and

"We therefore petition the Legislative Assembly of Ontario to restore the funding to education, and specifically the funding to adult education."

Because I agree with this, I have affixed my name to it.

#### ABORTION

**Mr Wayne Wettlaufer (Kitchener):** To the Legislative Assembly of Ontario:

"Whereas induced abortion is the intentional medical killing of pre-born human beings before birth and evidence that pre-born human beings of five to six weeks' gestation have the ability to experience pain has been reported as long ago as 1941 and corroborated as recently as 1994;

"Whereas a recent study reviewing all available research on the reasons for abortion in Canada concluded that 'as a procedure abortion is not therapeutic and as there is mounting evidence that it is harmful to women's health, funding by the government under health care cannot be justified';

"Whereas US studies have shown that where public funding for abortion has been removed, both the pregnancy rate and the abortion rate have dropped significantly;

"Whereas the Canada Health Act does not require that elective procedures be funded nor has any Canadian court ever found a constitutional right to publicly funded abortion;

"Whereas it is the responsibility and the authority of the province exclusively to determine what services will be insured;

"We, the undersigned, petition the Legislative Assembly of Ontario as follows:

"That the Ontario government remove induced abortion from its medically insured services, and

"That the Ontario government, through the Ministry of Health and the Ministry of Community and Social Services, endeavour to encourage an alliance between all groups offering crisis pregnancy support across the province."

I affix my signature.

#### CUSTODIAL SERVICES

**Mr Gilles E. Morin (Carleton East):** I have a petition addressed to the Legislative Assembly of Ontario:

"Whereas our school mission statement requires the establishment of a stimulating and challenging learning environment; and

"Whereas the Carleton Board of Education's proposed contracting out of our custodial staff would seriously jeopardize this learning environment;

"We, the undersigned, respectfully petition the Legislative Assembly of Ontario to amend Bill 34 in such a manner as to prevent Ontario school boards from contracting out custodial services."

I affix my signature.

#### ST JOSEPH'S HOSPITAL

**Mr David Christopherson (Hamilton Centre):** At the beginning of the week that the Health Action Task Force is presenting its report to the district health council, I'm pleased to refer the petitions urging the saving of St Joseph's Hospital in Hamilton. The petition is to the Minister of Health and the Hamilton-Wentworth District Health Council:

"Whereas the Hamilton-Wentworth Health Action Task Force, as part of their report, has recommended the closure of St Joseph's Hospital in Hamilton; and

"Whereas it is recognized the health care system should be made as efficient as possible; and

"Whereas the quality of health care service in our community should not be sacrificed in the name of efficiency; and

"Whereas the Mike Harris government promised to protect the quality of health care in Ontario; and

"Whereas we, the undersigned, believe that maintaining the presence of St Joseph's Hospital in downtown Hamilton is a vital component of our health care system;

"Therefore be it resolved that the Minister of Health and the Hamilton-Wentworth District Health Council ensure the continuance of the St Joseph's Hospital at its present site."

I continue to support these petitions.

#### RAMER'S WOOD CO-OPERATIVE HOMES

**Mr Dan Newman (Scarborough Centre):** I rise today to present a petition on behalf of the member for Markham. It's a petition from Ramer's Wood Co-operative Homes Inc. It appears to be in the correct format, and I'm submitting it to the Legislative Assembly.

#### DELLCREST CHILDREN'S CENTRE

**Mr Tony Ruprecht (Parkdale):** I have a petition signed by hundreds of people from Parkdale against an open-custody residence.

"Whereas the Dellcrest Children's Centre is planning to open a 10-bed open-custody residence for troubled children and youth at 182 Dowling Avenue; and

"Whereas the residence is an inappropriate site for the rehabilitation of troubled children and youth because it is within walking distance to illicit drugs and prostitution activities; a large number of unsupervised and supervised houses that are home to ex-psychiatric patients, parolees and our society's most vulnerable and ostracized members; and a number of licensed establishments that have been charged with various liquor infractions; and

"Whereas the Ministry of Correctional Services and the Dellcrest Children's Centre have decided not to hold open discussions with our community prior to the purchase of this home for the purpose of an open-custody residence; and

"Whereas the decision to relocate also expresses a total lack of regard to our community's consistent and well-established wishes for the Ontario government to stop the creation or relocation of additional social service programs or offices in an area that is already oversaturated with health and social services for disadvantaged, troubled or disenfranchised people;

We, the undersigned local residents and business owners, urge the Ministry of the Solicitor General and Correctional Services to suspend plans to relocate the open-custody residence for troubled children and youth until a full review of the Dellcrest Children's Centre's decision can be conducted and explore with us alternative locations that can be established."

#### PROPERTY ASSESSMENT

**Ms Isabel Bassett (St Andrew-St Patrick):** I have a petition that has been signed by members of many ratepayers' associations who support local option assessment reform in the city of Toronto.

I affix my signature to it.

#### NORTH YORK BRANSON HOSPITAL

**Mr Monte Kwinter (Wilson Heights):** I have a petition to the Legislative Assembly of Ontario:

"Whereas the final report of the Metropolitan Toronto District Health Council hospital restructuring committee has recommended that North York Branson Hospital merge with the York-Finch hospital; and

"Whereas this recommendation will remove emergency and inpatient services currently provided by North York Branson Hospital, which will seriously jeopardize medical



care and the quality of health for the growing population which the hospital serves, many being elderly people who in numerous cases require treatment for life-threatening medical conditions;

"We petition the Legislative Assembly of Ontario to reject the recommendation contained within the final report of the Metropolitan Toronto District Health Council hospital restructuring committee as it pertains to North York Branson Hospital, so that it retains, at minimum, emergency and inpatient services."

I have affixed my signature.

1530

### NON-PROFIT HOUSING

**Mr Alvin Curling (Scarborough North):** I have a petition to the Legislative Assembly of Ontario:

"Whereas the Ontario government has clearly indicated it 'wants to get out of the housing business'; and

"Whereas the Ontario government is reviewing the legal contracts and budgets of every co-op housing project in the province; and

"Whereas the Ontario government has announced plans to make huge cuts to co-op and non-profit housing funding; and

"Whereas the Ontario government wants to replace affordable housing with subsidies to private landlords; and

"Whereas co-op housing is a proven success in providing affordable housing owned and managed by the people who live in them; and

"Whereas the actions of the Ontario government threaten to destroy stable, well-maintained communities which have been built over the last quarter of a century and the investment all Ontarians have made in this type of affordable social housing;

"We, the undersigned, request that the Ontario government sit down with the co-op housing sector to negotiate a deal which will ensure the long-term financial viability of housing co-ops and the continuance of rent-g geared-to-income assistance upon which thousands of co-op members depend, and which will promote greater responsibility for administration by the co-op housing sector and less interference by the government in the day-to-day operations of housing co-ops."

I affix my signature.

### EDUCATION FINANCING

**Mr Mario Sergio (Yorkview):** I still have another petition signed by residents of my area where they are showing concern with cuts to the education system, and I'll read it to the House:

"Whereas the Minister of Education and Training has gone on record stating that the government is deeply committed to an educational system that delivers excellence; and

"Whereas the Progressive Conservative government is cutting funding support for elementary and secondary education by \$400 million; and

"Whereas by reducing grants to boards such as MSSB which can be shown to be well under the targeted

expenditure level for administration and operational support, the minister has penalized the very boards which have been extremely prudent and frugal in their non-classroom spending; and

"Whereas the so-called equalization payments are indirect taxation without representation because there is no guarantee that they will be used to offset reductions in education transfer;

"We, the undersigned residents of North York, petition the Legislative Assembly of Ontario to ensure any reductions to expenditure levels are implemented in a fair and equitable manner to both grant-dependent and negative-grant-position school boards."

I support this and I will affix my signature.

### ST JOSEPH'S HOSPITAL

**Mr Dominic Agostino (Hamilton East):** A petition to the Legislative Assembly of Ontario:

"Whereas the Common Sense Revolution states that a Conservative government 'will not cut health care'; and

"Whereas during the 1995 election campaign, the Conservatives clearly promised to defend the health care system by protecting ministry funding, stating in a campaign backgrounder, 'There will be no cuts to health care funding by a Harris government,' and calling this their first and most important commitment;

"Therefore we, the undersigned, call on the Minister of Health to reject all recommendations put forward by the Hamilton health task force as they relate to any hospital closures in Hamilton-Wentworth, and in particular St Joseph's Hospital, 50 Charlton East in Hamilton."

I support the petition and affix my name to it.

### TRANSITION HOUSE

**Mr Pat Hoy (Essex-Kent):** "To the Legislative Assembly of Ontario:

"Whereas Transition House in Chatham has provided emergency shelter to troubled or abused youth as well as support, counselling and life skills training since 1990, and operating on a five-year budget of \$865,000 they have counselled over 400 youth and served over 20,000 meals;

"Whereas the city of Chatham and the county of Kent rely on Transition House to meet the needs of its troubled youth and there is no other facility to serve the needs of the community; and

"Whereas the principles of discipline, self-help and a regimented environment at Transition House have combined with counselling and support to provide youth with the motivation and self-respect to return to school or find jobs; and

"Whereas the government of Ontario has cut its direct funding to Transition House by almost \$48,000 annually and places the existence of Transition House in jeopardy;

"Be it therefore resolved that we, the undersigned, urge the government of Ontario to reverse its decision to cut the funding of Transition House in Chatham and Kent."

I affix my signature to this.

## INTRODUCTION OF BILLS

### EMPLOYMENT STANDARDS IMPROVEMENT ACT, 1996

#### LOI DE 1996 SUR L'AMÉLIORATION DES NORMES D'EMPLOI

Mrs Witmer moved first reading of the following bill:  
Bill 49, An Act to improve the Employment Standards Act / Projet de loi 49, Loi visant à améliorer la Loi sur les normes d'emploi.

**The Speaker (Hon Allan K. McLean):** Is it the pleasure of the House that the motion carry? Carried.

Does the minister have a short statement?

**Hon Elizabeth Witmer (Minister of Labour):** No, I have no further statements, Mr Speaker.

### CITY OF OTTAWA ACTS, 1996

Mr Grandmaître moved first reading of the following bill:

Bill Pr34, An Act respecting the City of Ottawa.

**The Speaker (Hon Allan K. McLean):** Is it the pleasure of the House that the motion carry? Carried.

Mr Grandmaître moved first reading of the following bill:

Bill Pr47, An Act respecting the City of Ottawa.

**The Speaker:** Is it the pleasure of the House that the motion carry? Carried.

Mr Grandmaître moved first reading of the following bill:

Bill Pr48, An Act respecting the City of Ottawa.

**The Speaker:** Is it the pleasure of the House that the motion carry? Carried.

### TRADE UNION AND EMPLOYEES ASSOCIATION FINANCIAL DISCLOSURE ACT, 1996 LOI DE 1996 SUR LA DIVULGATION DES RENSEIGNEMENTS FINANCIERS PAR LES SYNDICATS ET LES ASSOCIATIONS D'EMPLOYÉE

Mr Shea moved first reading of the following bill:

Bill 50, An Act to provide for financial disclosure by trade unions and employees associations / Projet de loi 50, Loi prévoyant la divulgation des renseignements financiers par les syndicats et les associations d'employés.

**The Speaker (Hon Allan K. McLean):** Is it the pleasure of the House that the motion carry? Carried.

**Mr Derwyn Shea (High Park-Swansea):** Very briefly, what we have required for the private sector and have required for the public sector I think it is now appropriate to require for unions and employee associations.

## ORDERS OF THE DAY

### 1996 ONTARIO BUDGET

Resuming the adjourned debate on the amendment to the amendment to the motion that this House approves in general the budgetary policy of the government.

**The Speaker (Hon Allan K. McLean):** When we adjourned last, I believe the member for Sault Ste Marie had the floor.

**Mr Tony Martin (Sault Ste Marie):** As I was saying last Thursday afternoon when it became 6 of the clock, the folks out there in Ontario become increasingly concerned as they get a further look at the reality of the budget that was presented last Tuesday, as they get a chance to read it themselves, as they get a chance to read the analyses that are being done by various and sundry people and, most particularly, as they begin to realize how it's going to affect them in their communities, in their families and personally.

Their concern is one of several factors. They look at this proposal and they see it for what it is: a very simplistic approach to a very difficult and challenging concern or situation that we face here in this province, in this country and indeed globally today as the economy changes and we are all challenged in very significant and important ways to respond and to contribute. If you look at the program this government has put before us — and I think it's important that we not get sidetracked here, that we not misunderstand or not put the whole package together — this program is about cuts, first and foremost about cuts to government, about cuts in services and about cuts in the level of employment in the public service in this province, and yes, it's about cuts in taxes. **1540**

We are told that it is also about cutting the deficit, but we know when you put the numbers together, that just doesn't add up. At the end of the day, to meet the targets that have been established by way of the tax cut particularly, and the need there will be to cut services, we're going to have a deficit that's going to continue to grow, a debt that's going to continue to grow in this province or a massively enlarged cut to programs and services and the job level that we've all learned are so important and contribute in such a significant way to the stability of the communities in which each one of us lives.

When we look at this program the government has put before us and we see in it the absence of any real detail, any real business plan, any impact statement, we begin to understand why so many have some very genuine and real concern — in fact, as I said last Thursday, are anxious to have the program this government is putting before us work. They know you're going to be the government — you were elected with a mandate a year ago and will be around for another three or four years, so you're going to be the government — and they want your program to work.

But what they're beginning to realize is that they don't think you understand or want to hear from them re the thoughts and ideas and concerns they might have, because you have not given them any opportunity before the budget was presented, and with the lack of material with the budget they don't see any opportunity for them to participate in any further discussion, so they become more and more concerned.

As they look at the program itself they become concerned, and they become even more concerned as they look at how this is beginning to roll out and the reality for them in their lives, and we begin to hear things. I



suggest to you that over the next days and weeks we will begin to hear it more and more as reality sets in.

I have here today a copy of a paper that my colleague from Kapuskasing brought today, the Northern Times. It's saying here that the folks in his area are saying, "Don't cut services for taxes," because they know how important services are in their neck of the woods, how important the jobs that those services represent are up in that part of northern Ontario, and indeed I would suggest to you there are many people in my city of Sault Ste Marie who are saying the very same thing.

As a matter of fact, even before the announcement of April 11 regarding how many jobs are going to be lost directly in provincial government service cuts, we are going to lose in the neighbourhood of 525 to 550 full-time, high-paying good jobs in Sault Ste Marie. That represents approximately \$31 million out of the economy of my community. If you want to boil it down to an even more finite or focused scenario, let's look at some of the numbers and how they play out in Sault Ste Marie.

The benefit of the government's tax cut for a couple with a combined income of \$60,000 with two children in Sault Ste Marie would be \$1,385 a year.

**Mr Chris Stockwell (Etobicoke West):** That's not chicken feed.

**Mr Martin:** That's not chicken feed, that's for sure. But based on that implementation schedule, the tax benefit to this family is \$163, and we're getting close to chicken feed here.

**Mr Marcel Beaubien (Lambton):** That's not bad.

**Mr Martin:** It's not bad, though. It's not bad, that's right. For a person on a low and fixed income, \$163 is a significant amount of money. As of July 1, they will receive an increase in take-home pay — listen to this one — of \$2.53 every two weeks.

**Mr Stockwell:** Go crazy.

**Mr Martin:** That's it, go crazy — \$2.53 every two weeks. If you place this family in my riding of Sault Ste Marie, your tax cut will cost them — just keep all this in perspective — \$86.40 in increased property tax.

**Mr Howard Hampton (Rainy River):** Oh, no, no, no.

**Mr Martin:** Well, you're the guys who keep saying to us over here that there's only one taxpayer — so \$86.40 in increased property tax. If this family happens to have one child in university, and there are a lot of people out there who do, we have a tuition increase of \$490; and an increase of \$6 a month, or \$72 per year, if one person in that family is taking public transit. This government is giving them back \$163, but they'll have to pay \$648 more for services than they were before this budget came into place. That means they're short \$485.

**Interjection:** Chicken Little.

**Mr Martin:** Chicken Little? That's \$485. This is the program. This is how it boils down.

In my community of Sault Ste Marie, we're losing over 500 jobs, and that's just the beginning. We anticipate that by the time you're finished, we will have lost somewhere between 800 and 1,000 full-time jobs and all that represents to my community. What it represents in my community is \$31 million out of the economy of Sault Ste Marie, not being spent in corner stores and grocery stores, not being spent on new cars or on flowers

for the garden, for food — all the different things people spend money on that keep the economy going. When you boil it down to an individual family case, the situation that I presented to you here works itself out so that these folks are now going to be short \$485 in their take-home pay.

Does it bother us —

**Mr John Hastings (Etobicoke-Rexdale):** No.

**Mr Martin:** — that this program you've laid before us, that you've spun out with such great enthusiasm and excitement, that you've had your spin doctors do their utmost to present in a positive and constructive light, doesn't at the end of the day work out, doesn't accrue any benefit to any community in this province or to any individual or family? No.

It's for this reason that I, as I said last Thursday, stand here in this House today and second the motion of the finance critic of my party when she says that she has absolutely no confidence that this government and the budget that it's presented will do anything of a positive nature for the people, the working people, all of the people of this province.

**The Deputy Speaker (Mr Bert Johnson):** Comments and questions? The Chair recognizes the member for Etobicoke West.

**Interjection:** Good luck.

**Mr Stockwell:** Good luck to you too.

I want to comment to my friend the member for Sault Ste Marie, whose addition to this debate for the budget is probably a good speech. It's a speech that really reveals the position of the member and how he's seen the debate and the direction this province has been heading in the last number of years. I understand his concerns with respect to the direction this province is heading. I'd be very surprised if he didn't offer that opinion of the direction of this province, and no, I'm not setting you up. I understand and appreciate the fact that Mr Rae and his administration probably did a couple of good things in Sault Ste Marie in the last four or five years. I myself think that a couple of the initiatives he took — it was Algoma, I think, and —

**Mr Michael A. Brown (Algoma-Manitoulin):** St Marys Paper.

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**Mr Stockwell:** St Marys, yes. They turned out to be very productive. They were productive initiatives. If the kinds of initiatives that Premier, Mr Rae, took in the rest of the province had been as successful as the initiatives he took in Sault Ste Marie, he might well still be in government today and you would probably be a powerful and engaging parliamentary assistant of some kind, maybe even a minister. I understand what you're saying with respect to the issue. I'm not a parliamentary assistant, nor am I a powerful minister, so by suggesting to the member for Sault Ste Marie that he'd be a powerful parliamentary assistant, that means he'd be one notch higher than I, which I think is probably without doubt for sure.

Having said all that — my time has run out so I don't get to finish my comments — I just want to thank him for his contribution. I will certainly review the numbers with respect to the tax cuts and the impacts that will be



felt at the local level. I myself found it interesting and certainly engaging.

**Mr Michael Brown:** I'd like to commend the member for Sault Ste Marie on his fine speech and I'd like to commend the government on its approach to the budget, which seems, absolutely incredibly, to be exactly the same as the former government's. One of the interesting statistics, if people will look carefully at their budget document, is that the ratio between revenue and debt service remains exactly the same as the former government's. What's going on here, if you want to have a look, is that Ontario intends to spend 21 or 22 cents — I can't remember exactly the figure — to service the debt today, which is exactly what the former government was spending, and intends to be spending that same 22 cents out of every revenue dollar four years down the road. We will not have improved our situation one little bit.

That is a tremendous change from 1989. In 1989 we were spending in this province less than 10 cents of every revenue dollar to pay interest. That meant there was money available for programs; that meant there was money available for education; that meant there was money available for health.

As we watch this government follow exactly the same budgetary process, coming out with the same result, borrowing an additional \$22, borrowing \$13 billion for a tax decrease that I don't think the shareholders have earned yet, I think this is something the member for Sault Ste Marie may want to consider in his reflections.

**Mr Len Wood (Cochrane North):** I just want to compliment my good friend the member for Sault Ste Marie on the excellent presentation he made over the last number of minutes and the previous day.

I find it interesting that the member for Etobicoke West would congratulate the NDP on what happened in Sault Ste Marie with Algoma Steel and St Marys Paper — which are good news stories, there's no doubt about it, and I acknowledge that — also, Spruce Falls in Kapuskasing and Provincial Papers in Thunder Bay. But what the member for Etobicoke West has neglected to tell you is that when he was in the opposition as the third party, when that legislation came up for employee ownership to protect the jobs in these communities, the Tory caucus at that time voted against that as a group. A solid block voted against any incentive there was to save jobs and protect some of the communities in northern Ontario.

**Mr Stockwell:** What are you talking about — never came to the Legislature.

**Mr Len Wood:** The member doesn't remember voting against that particular legislation. But I just wanted to say that even though the cuts to health care, education and the forcing of the municipalities and school boards to raise taxes — and they're going to use up more than what is proposed in the tax cut to the population out there. It's going to cost them \$200 or \$300 more a year for most people, and it's all on borrowed money, as the member pointed out.

You're going to go out and borrow \$22 billion to \$30 billion to give a rebate back to the people in the province, the upper-income people. It's supposed to be a job creation program. In their budget, they don't say the

numbers that it's going to create other than the fact that it's not going to create the 725,000. There's somewhere around less than 300,000 jobs that it might create, because the \$4.5 billion they're giving back is only a small portion of the \$300 billion that the economy of Ontario spends every year.

**Mr Rob Sampson (Mississauga West):** I'm sorry; I was going to resist speaking to this particular item, but I feel I must.

I want to respond first of all to the member for Algoma-Manitoulin, who indicated to this House just a few minutes ago that in his view Ontarians hadn't, I think he said, "earned" their tax cut. Let me tell you, they've earned their tax cut. They earned it to begin with; then we took it away from them. They are the ones who earn the income in this province, not the province of Ontario. It's their money. We're just giving it back to them. With respect to my friend from Algoma-Manitoulin, he's got it the wrong way, which I suppose should not be surprising, because of course it's coming from a member of the Liberal Party, who have difficulty getting things straight.

I also want to talk to the item before I speak to the member for Sault Ste Marie.

The reason why the Liberals had indeed a rather low interest-to-revenue ratio was that every time they came to the tax trough, they boosted the tax rate. They balanced the budget not because they had some dramatic and infamous way to control expenditures; they just kept jacking up the taxes. No wonder they balanced the budget. We could balance the budget as well if we tripled the tax rate, but we're not doing it, because Ontarians deserve and want a tax break.

With respect to my friend from Sault Ste Marie, a wonderful place that I've been to — and there is a tremendous amount of development happening in Sault Ste Marie in the forest products sector, as he would know — I should say to the member that when he does his calculations, he should be aware of the fact that not all municipalities in this province have responded to the expenditure reductions by boosting property tax rates and service fees. In fact, the city of Mississauga has dealt with reducing transfers from the province over the last 10 years without one property tax increase — without one.

**The Deputy Speaker:** The member for Sault Ste Marie has two minutes to wrap up.

**Mr Martin:** I want to first of all thank all the members for taking time to participate in my small contribution, for their thoughts, their comments and their support, and particularly the member for Etobicoke West. I must say he was here last Thursday, sat through the whole debate, and is here again today showing tremendous interest in this budget, and so he should because, as are my constituents, his constituents are very concerned. They want this thing to work, they really do, but they don't know whether it will or not. So far, all the indicators are that we're in trouble. We're in trouble.

*Interjections.*

**Mr Martin:** Listen, we're all here to help and we'll help. We'll help in the ways that we can.

I want to thank the member for Algoma-Manitoulin for his comments. He always contributes in a very positive and strong way to the debate here in the House, and my



colleagues from Cochrane North, from Kapuskasing and Mississauga West. The nice thing about this place is that we have these opportunities on days like today to put forth our ideas, put forth our concerns, and to have others respond to them.

Just by way of furthering the information that's on the table, I want you to know that in Sault Ste Marie it's not just property taxes that are going up; it's more user fees. For example, ice rentals for families with children and figure skating and hockey are going up by 5%. Pool rentals are going up by 10%. If the parent is a senior, they'll now pay a \$20 user fee at the seniors' centre. A branch of the public library is being closed. And listen to this: They're closing the zoo at Bellevue Park. All of us who grew up in Sault Ste Marie used to enjoy going to the park. Now it's going to be closed because of your budget.

**The Deputy Speaker:** The member's time has expired.

I just wanted to say that I'm very patient today, but there are too many conversations. I would ask that if you feel it necessary to outburst and say something, I'd like you to leave, before you do that, voluntarily.

Further debate?

**Mr Stockwell:** Mr Speaker, I would just like to make a point of order. If you're going to outburst and heckle and you leave, what's the point of heckling?

**The Deputy Speaker:** You have no point of order. I recognize the member for Kitchener.

**Mr Wayne Wettlaufer (Kitchener):** Thank you, Mr Speaker, and thank you to my colleagues. I am very pleased to have this opportunity to express my views on our government's first budget.

Less than a year ago, the Progressive Conservative Party of Ontario, under the positive leadership of Mike Harris, won the provincial election. Early in the campaign the polls indicated that we didn't have a chance of winning the election, if you'll remember, but somewhere along the way something happened that was so dynamic that not only did it start to turn the direction of the polls around, it resulted in a landslide victory for our government. The dynamic was that the people of Ontario started to listen to what we were saying to them. It is that simple. The people of Ontario listened and heard what we had to say to them.

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The reason they started to listen to us was a second very simple yet powerful dynamic. The second dynamic that came into play was the realization that they were hearing in our platform what they had told us they wanted us to do before we ever went into the campaign. Somewhere partway through the last provincial election, voters in Ontario started hearing what they had been saying they wanted the next government of the province of Ontario to do. Somewhere along the political path leading up to the election, the voters were starting to hear their message being given back to them in the form of our campaign platform.

In my own campaign, I well remember a 12½-second media message that I believe was the most powerful of all the messages in my campaign. It was the one single message which every constituent who voted for me believed I would carry out on their behalf. That media message emphatically stated that I was the only candidate

in the riding of Kitchener who was dedicated to working on their behalf to reduce their income taxes. The message was that simple. As you know, in 12½ seconds you only get to make one short, direct statement, something that the members of this Legislature could learn from time to time. That was the one specific message my constituents heard, the one specific message they wanted to hear and the one specific message which showed them I was listening to them. They believed me when I promised them that if they honoured me by electing me to represent them at Queen's Park, I would work hard to carry out their wishes.

In all honesty, I don't know what candidates in other parties heard when they visited people in their homes, but I do know what I heard. I know that my constituents expected me to work towards a tax reduction if they granted me the honour to represent them in this House. I stand here proud today as a member of the first government in a quarter of a century to provide income tax relief for the struggling, hardworking taxpayers in the province of Ontario, in particular those hardworking taxpayers in the Kitchener riding who sent me here to do just that.

Members of this House may find it interesting to learn that in a poll which took place on Monday, the day before the budget, which directly asked the people of Kitchener if they wanted a tax reduction, over 56% agreed that they wanted their taxes reduced. They wanted the tax cut. As much as the opposition parties like to rant and rave about how detrimental our income tax reduction is to the economic health of the people of Ontario, the fact remains that each one of us on the government side has stuck to his or her guns and has helped deliver what will prove to be a major tax reduction to the people of Ontario. This is what the people of Ontario told us they wanted and this is what we delivered.

This, of course, is not the approach either of the parties in the opposition ranks has taken to governing. I can't for the life of me remember having been given the opportunity to express my opinion on whether or not I wanted my taxes raised 65 times in 10 short years. Yesterday morning's editorial in the Toronto Sun is interesting. I'm going to read a little bit of it:

"Well, well, well, what have we here?

"Why, it's Liberal leader Lyn McLeod's reaction to the 1993 Ontario budget, expressing her outrage that the then NDP government had just raised taxes by \$2 billion.

"McLeod was incensed.

"She described it as the largest tax grab in Ontario history.

"She said it would destroy 50,000 jobs.

"She called it 'a disaster for working people' offering 'no hope and no prospects for the future.' Far from stimulating the economy, she said, 'this budget strangles it.'

"Stressing how it would hurt ordinary Ontarians, McLeod noted that under the NDP tax grab, a family of four earning \$50,000 a year would pay at least \$330 more in new taxes.

"But wait. What's this we see even further back in our files? Why, it's then NDP leader Bob Rae reacting to the 1989 Liberal budget that grabbed an extra \$1.3 billion from taxpayers' hides.



"Rae described that as a 'death by a thousand cuts' for ordinary Ontarians, adding he opposed the Liberal hike to provincial income taxes."

No, I wasn't asked if I wanted my taxes increased. I can't remember having been asked either if I was agreeable to having our entire social, educational, justice, policing and health systems jeopardized by the growth of a debt of such magnitude that the interest to service that debt is more than we can afford to spend on primary school education, is more than we can afford to spend on community college education, is more than we can afford to spend on our universities and is more than we can afford to spend on our hospitals. In my mind, these conditions are not only intolerable, they border on being criminal.

I want to say directly to the opposition parties that I hold you directly accountable for bringing the finances of this province to the edge of financial disaster. Your governments were financially incompetent and nothing could have said it clearer to you than the results of the June 8 election, and yet you still do not listen. You refuse to hear what the people of Ontario emphatically told you June 8, 1995, and what they are telling you today, May 13, 1996.

You still refuse to listen to what the voters of this province want this government to do. What they want their government to do is to reduce taxes. The opposition parties refuse to hear what the people of Ontario have been telling them about the tax reductions and I know they will continue to bray like donkeys because of their lack of understanding about the economic realities facing this province and the wishes of the majority on how to deal with them.

Recently, I had the opportunity to speak at a local high school in Kitchener, and the students of this province, who are very bright, very aware, were shocked to learn that they would work for half a year just to pay their combined taxes. I held up a printed cheque and I asked the students, "How much of this do you think you should pay in taxes?" The response was 10% to nil. They were shocked to hear the realities of the impact of the debt and the interest on the debt, and these students were very unsympathetic to those who oppose tax reductions. They were unsympathetic and bordering on angry at those who were opposed to this government reducing the debt by significantly reducing government spending. Again, these are the facts as they relate to the income tax reductions for the constituents of my riding of Kitchener, and I am proud of them for their determination.

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However, there is another area of the budget to which I will direct my comments. It is an area in which I can speak with a background of over 30 years' experience and is another area where the opposition members simply refuse to listen. That area is the impact of the budget on small business. The number one priority of this government is jobs, jobs and more jobs. This government's philosophy to job creation is rooted in the knowledge that it is the private sector — let me repeat that — it is the private sector which creates jobs. It is the responsibility of the government to facilitate that process through cooperation with the private sector.

For the past five years the business sector in this province felt it was viewed as an enemy of the government; the private sector was viewed as being incapable of knowing what was needed to help create jobs; the private sector was viewed as being careless, lacking compassion and greedy. This attitude is still expressed by a number of members of the opposition parties, the majority of whom have little, if any, business experience.

Attitude is as important in a government's relationship with the private sector as it is in maintaining a strong family. This government's budget, in addition to taking steps to financially stimulate the economy, changes the provincial government's attitude towards business.

This budget tells business we are listening to them, we have heard their request to reduce government interference in their operations; this budget tells business we recognize that it is they who create the jobs; this budget tells business we recognize that they are forced to spend too much time, in some cases up to 20% of their administrative time, filling out government forms simply in order that they can send this government money which we say they owe to us. This budget is different. This budget tells business this government is determined to stimulate the economy by putting more money back into the hands of the consumer.

Anyone with any business experience will tell you that a significant aspect of operating any business is perception. As a businessman, as an entrepreneur, I can tell you that the former government was perceived to be anti-business, with the result that business confidence was badly shaken in the province. This budget emphatically proves to the private business sector that this government has a positive perspective towards the private sector.

The construction industry, in the pre-budget hearings, requested this government's assistance in spurring ahead new home sales. You'll remember that, Bruce. In response, the budget provides a land transfer tax refund for first-time new home purchasers. In response to this tax reduction, Mr Tom Stricker, president of the Greater Toronto Home Builders' Association, stated: "It's a good-news thing to us. It's well received." The impact will be more jobs in the construction industry.

The moviemakers expressed their appreciation for the 15% tax credit of qualifying labour expenditures, while first-time filmmakers will get a 30% credit. Robert Lantos, chairman of Alliance Communications, Canada's largest movie and TV producer, stated in reference to the budget that: "It certainly seems like a very constructive move that recognizes the importance of the film and television industry to the province." The impact will be more jobs in the movie industry.

Other members of the arts community are also pleased with the budget. "It's absolutely terrific," said Elaine Calder, general manager of the Canadian Opera Company. Stan Shortt, managing director of the Toronto Symphony Orchestra, said: "This kind of legislation is critical." The budget received positive endorsement from the Art Gallery of Ontario, the Shaw Festival, the Stratford Festival and the National Ballet of Canada. These arts groups recognize that the budget will assist in bringing stability to their organizations and will help create more jobs.



The horse racing industry will be stabilized by the significant reduction of the provincial tax on horse betting from 7% to one half of 1%. This will help in maintaining jobs in this fragile industry.

The reduction of the income tax, coupled with the elimination of the 5% health care tax for small to midsize businesses with payrolls under \$400,000, affects 88% or 270,000 businesses that have all been greeting the budget with enthusiasm.

Brien Gray, senior vice-president of the organization for small business, the Canadian Federation of Independent Business, stated that, "For too long entrepreneurs in this province have felt that governments generally have been working at odds with them." He called this budget "a breath of fresh air." The result will be more jobs in the small business sector. It must be remembered that when we are discussing the importance of small business, we are discussing the sector which produces approximately 90% of all new jobs in the province.

In addition to the direct assistance, this budget provides strong indirect assistance to small business. Banks, which make investments in Ontario to small businesses, are being offered an incentive through the form of a capital tax credit to offset a temporary surtax on their capital tax if they increase the availability of equity capital for small business. The government is also tightening the rules governing how labour-sponsored mutual funds can invest their funds. More of it must be directed towards small firms. These two initiatives will result in more jobs.

The primary point I am making here is that this budget is perceived by the business community as a positive step forward, stemming from a government with an obvious positive attitude towards the private sector. This new attitude — this refreshing, new, positive attitude — is exactly what this province needs to get back on track economically. This will result in more new jobs.

This government in its first budget has provided a much-needed income tax break to 91% of the people of Ontario and is providing both direct and indirect assistance to tens of thousands of businesses in the province. This budget is a statement of confidence, it is a statement of commitment, it is a statement of understanding and it is a statement which emphasizes to the people of Ontario that this government will stand by its promises. This is an outstanding economic document for the people of Ontario.

**The Deputy Speaker:** Comments and questions?

**Mr Bruce Crozier (Essex South):** I must stand and reply to this, since the member for Kitchener so kindly brought my name into it, and I hope no one takes it out of context. I'll be speaking to the budget a little bit later, but just a couple of comments.

One was the reference to the stimulus for the purchase of a new home for first-time home buyers in the next year, how it would be a stimulus, and I don't think anybody should look a gift horse in the mouth. I too would take a tax credit on a home if it were my first home and I was taking the opportunity to buy it.

But let me quote from the minister's speech where it says, "To encourage people who have been waiting to buy their first home, first-time buyers who purchase a

newly constructed home after today and before March 31," 1997, "will receive a refund on their land transfer tax, maximum refund being \$1,725, equivalent to the tax on a \$200,000 home."

As I said, you don't look a gift horse in the mouth, but if someone is sitting and waiting to buy their first home because they're only short \$1,725 on a \$200,000 home, I doubt very much whether that's going to be the incentive to make them rush out and buy it.

What maybe could better have been done, if the government had listened in the pre-budget hearings, is rather than giving a tax cut to the rich when it's in its full term of about \$5 billion a year they could have reduced the retail sales tax every year on the whole cost of whatever anyone's purchases are. That would have cost in the range of \$5 billion a year, and I think would have more equitably spread the tax cut across all stakeholders in the province.

**Mr Martin:** I want to respond to a comment from the member who just presented regarding the economy that they inherited when they came to government being in crisis. The only crisis is being caused by your government and what you're doing by way of diminishing the money that is flowing around in communities like mine and the number of jobs you're cutting. The economy in Ontario in 1994 was probably the best it had been in years after some very difficult times and after some very creative and courageous initiative and leadership given by our government.

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I don't have to tell you, because I've told you two or three times over the last couple of weeks, just exactly what happened in my own community of Sault Ste Marie, but lest you not understand, let me just share with you some of the results of 1995, which I suggest to you are a result of some of the very good work that we did on behalf of stabilizing the economy and the business community in Ontario in 1993 and 1994.

General Motors: \$1.3 billion in profit, sets record profit in 1995. "Barrick Gold Has Dug up 10th Straight Year of Record Profits." Bank of Nova Scotia made \$876 million in 1995. Those are just three.

Brascan, a big corporation that has some interests in Sault Ste Marie — they own Great Lakes Power — had a 1995 profit of \$312 million, the best in its 96-year history.

I have another piece of paper here that talks about Petro-Canada, which had a profit of \$196 million for 1995. This comes, it says, despite charges that they paid out for major layoffs.

I suggest to you, Speaker, that this member has his facts just a little bit skewed and in fact the economy was well when they came to power. They are now destroying it.

**Mr Bill Grimmett (Muskoka-Georgian Bay):** I'm pleased to speak and comment on the comments made by the member for Kitchener. I listened very carefully, and as usual he was very impartial in the way he made his remarks.

I want to touch on the comments surrounding the issue of a reduction in the land transfer tax, because the issue was brought up by my friend from the Liberal Party. I



had to note with some irony that the Liberal Party brought up the issue of land transfer tax. Having practised in that field as a lawyer for clients who pay a considerable amount of land transfer tax — most of my practice was in the real estate field — I recall during the period from 1985 to 1990, when the Liberal Party was in power, numerous increases in the land transfer tax in Ontario. I can say that it is a disincentive to purchasers of homes in Ontario for the land transfer tax to continually be raised.

I would have thought that the comments on the reduction would have been more positive. I can assure the member that a reduction in the amount of land transfer tax paid will be a factor when people consider whether to purchase a home. When they sit down to look at the extra costs, including paying lawyer's fees, paying for the various items involved in purchasing a home, \$1,800 on a \$200,000 purchase is certainly an issue that will be considered.

The other issue raised was whether the provincial sales tax could be reduced. It seems to me that the provincial sales tax was last raised by a Liberal government, so again I note the irony in those issues being raised by my friend from the Liberal Party.

**Mr Michael Brown:** I was extremely interested in the speech by my friend from Kitchener. One of the interesting things and one of the things I've had some difficulty in understanding is that this government, by way of the budget announcement on Tuesday, announced that it was about to borrow \$8 billion this year. Some of that money is to go to pay for the tax cut. I was kind of surprised, given the fact that when the NDP presented a budget in 1990 that presented us with a \$10-billion deficit, we didn't have the same reaction out here in front of the Legislature. We didn't have thousands of people in front of the Legislature protesting that \$10-billion deficit.

I'm interested in the member thinking that his children, his grandchildren and his great-grandchildren are going to be paying for that \$8-billion deficit they've rung up. Just so you know, Mr Speaker, and I think all members would know, by next March 31, this government will have rung up far more in debt and deficit in just 18 months than the Liberal government between 1985 and 1990, the one they are saying was so irresponsible. I wonder how he's going to go home to his constituents and tell them that in 18 months they've already borrowed more money and contributed more to the provincial debt than any government prior to 1990. I find that an astounding statement.

**The Deputy Speaker:** The member for Kitchener has two minutes.

**Mr Wettlaufer:** I never cease to be amazed at how the members of the opposition parties keep talking about how we are borrowing to pay for the tax cut.

I would like to read something. This is from an economist from Wilfrid Laurier University. It was in the Kitchener paper a week ago.

"The 10 fastest-growing American states are the 10 states that cut taxes the most," said Laurier economics professor Douglas McCready. "There is also evidence that the poor benefit more from growth in the economy than

the rich do. If there are more jobs, then people will be off welfare and that helps the lower end.

"I would argue that for the last 20 years, we've been going through a change in income distribution that has damaged the middle class anyway, even with government growing. So I'm not so sure that is happening because the government is moving out of certain services."

We heard Patti Croft on Canada AM last week say that this budget is predicated on interest rates higher than the experts predict, GDP lower than the experts predict, and that the world financial community views this in a most positive manner.

The spending that was started by the Liberal government in 1986 doubled in five years, from \$27 billion to \$55 billion — and they talk about us borrowing. They had the strongest economic climate that this province has ever known in its history, and they talk about debt. It started with them. It couldn't be kept up by the NDP because of a recession in the world, so I won't blame the NDP entirely, but we have been left with a climate that has been absolutely unforgivable as a result of the Liberal start.

**The Deputy Speaker:** The member's time has expired. Further debate?

**Mr Crozier:** I would say you're darn right. We had the best increase in economic performance in the province of Ontario during the Liberal reign, and I'm glad to acknowledge that.

There is going to be, obviously, over the next number of days an awful lot said about this budget. I must say it was very nicely crafted; it looks pretty. I've always been curious, and maybe one of the government members would tell us in one of the responses, what it costs to put a budget together. It's always given me a great deal of thought as to how many person-hours go into it, how much the printing costs are. It's something that has to be done, but I just think it's probably a very expensive process.

What I'm going to do today, and I'll just outline it for you a bit, Speaker, is to briefly give some historical facts; I'm then going to give a bit of an overview as we see it on the budget; then I'd like to give an overview of Ontario's tax system. Much of what I'll have to say today, quite frankly, is a result of research and is not simply my own assumptions. I want to make it clear that when I give you statistical information, I believe it to be the accurate information that others have put together.

1630

In that historical perspective, I want to join in the normal fray of what goes on in this place, and that is, rather than looking to the future and what we can best do for the province of Ontario, we generally look to the past and blame someone else. Certainly part of the tax mountain that has been built up over the years in this province was built up by a Liberal government, albeit its share was a short and a small one, I think. The previous government had their ideas on what taxes could be adjusted. But it would seem to me that the previous speaker, the member for Kitchener, and others would lead you to believe they didn't have any part in this.

This is back in the years 1981 to 1984. I have to admit this isn't expressed in 1996 dollars. Therefore, you can



assume it would be considerably higher. But in the years 1981 to 1984 Mike Harris, the now Premier, supported a Conservative government that had 16 tax increases totalling \$1.83 billion. The Taxfighter, Mr Harris, now Premier, continually berated the Liberals and the NDP when he was the leader of the third party and outlined what the Tories called a catalogue of greed. Through four successive Tory budgets the now Premier, the Taxfighter, supported tax increases in every one of those.

I'm told one of them was the largest single increase in personal income tax in the history of the province of Ontario. The 1981 budget presented by Mr Miller, which now-Premier Harris supported, increased personal income tax from 44% to 48%. Apparently the Premier is now trying to get it back down to that range. He's told us that it's going to get somewhere around the 49% range in 1997, but they haven't told us where it's going to go beyond that, how it's going to be implemented.

OHIP premiums were increased by 15% in that budget. Fuel tax on gasoline was increased by a cent a litre. Diesel was increased. Total revenue from those was \$135 million in 1981. Tobacco taxes were increased. Beverage taxes were increased.

In the 1982 budget, which the now Premier supported, OHIP premiums, retail sales tax, tobacco tax and beverage tax were again increased.

In the 1983 budget, the Taxfighter, Mike Harris, again supported increases in OHIP premiums, alcohol, tobacco, corporations, social service — maintenance tax was brought in at that time.

In 1984 he supported increases in OHIP premiums and water power charges.

Historically, we've seen then quite a change in the Premier — not to say that this isn't good, but as Paul Harvey, if you're a radio listener, says, "That's the whole story."

Now what I'd like to do is indicate to you very briefly how we feel about this budget. We feel this budget is what you might call a high-risk strategy, because it's a concern of some economists that what might happen is that if the economy doesn't perform the way it should, why, there may be as much as a \$2-billion shortfall when it comes to the year 1999 and the year 2000 and on into the year 2001. The high risk involved here is that if you give back what's going to amount to be \$13 billion over four years, before you have the deficit and the debt under some sort of control, what's going to happen then? What if you find yourself in a hole? That's what we're concerned about as being the high risk in this strategy.

As has been said before and will be said again, I'm sure many times, \$22 billion is going to be added to the debt in the next four years. The finance minister stood up here a few days ago and said, "If we had done nothing, look what the debt would have climbed to." We're not suggesting that the finance minister should do nothing. We're suggesting that the finance minister should attack the deficit, and once that is wrestled down to zero and once we have a plan for attacking the debt, that's the time we can then start to reap the benefits of the sacrifices we would have made over the last three or four years.

My friend from Kitchener mentioned before about jobs. He was emphatic about jobs. I agree with him: Jobs are important. The point is that we've heard over the last eight to 10 months that this government would create a climate in which 725,000 new jobs could be created. Well, they've got a long way to go, because their own figures suggest that over the next couple of years, into 1998, they will only create in the neighbourhood of 200,000 to 300,000 new jobs. That leaves them 425,000, or thereabouts, new jobs to be created in the few years thereafter. Again we bring up the point that risk is a concern. It's a high risk. You're going out on a long limb, and if that limb starts to bend or if that limb breaks, why then, I suggest we're going to be in a worse position than we are today and it's going to be more difficult to recover from that position we've put ourselves in.

As a matter of fact — and I'll leave jobs with this — the government's own figures indicate that the unemployment rate when it took office was 8.7%. The unemployment rate is going to climb to 8.9%, according to their predictions, in 1996; going to drop slightly, to 8.8%, in 1997; and then be slightly below, at 8.5%, what it was when they took office. In their own figures, they're going to an increase in unemployment over the next two years. As I said, it's going to be tough, because in the last two years of their mandate they're going to have to create 438,000 new jobs to keep their promise.

I suggested that I'd like to take a look at an overview of Ontario's tax system. This was put together by the taxation policy branch of the Ministry of Finance of the government of Ontario, believe it or not, so these are not my figures. These are the figures of the finance department of our own government. I might start out by asking, why do we have to have taxes in the first place? I recall the company that I worked for back in my earlier years in the lumber business. We still had the tax records from the first tax that was ever implemented, and that was the temporary war measures tax. That was in the neighbourhood of the early 1900s, so I guess we can see what "temporary" means.

But the real main function of a tax system is the collection of adequate tax revenues to finance the government's expenditure programs, the redistribution of income to improve fairness and the encouragement or discouragement of specific types of behaviours or activity. For example, Ontario provides numerous incentives to encourage job creation and new investment. Then the province attempts to distribute those taxes so that, as has been said, fairness is one of the focal points.

It might interest you to know that personal income tax in the province of Ontario in 1994-95 was \$14.344 billion, or that 42% of the revenue raised by the government was through personal income tax; 26.9% was through the retail sales tax. As I said, personal income tax is the largest source of revenue for the province of Ontario. Over 5.1 million individuals paid Ontario personal income tax in the year 1993.

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Corporate income tax is the third-largest revenue source in the province of Ontario, and small business, of course, is part of that. All of us want to do what we can



to encourage small business to flourish in the province of Ontario.

Retail sales tax is one I mentioned before. Because we're asked for alternatives, oftentimes the government will say: "Well, you don't like the fact that we're reducing personal income tax for the richest in this province. What would you do?" I would have done what I mentioned a few minutes ago, that is, look at retail sales tax; look at the tax every one of us has to pay in varying degrees. I believe that would have been a better way to give taxpayers of the province of Ontario some relief while at the same time encouraging them to spend their money to help the economy grow. Reducing the retail sales tax means essentially that you have to go out and buy something before you benefit from it.

The problem with credit on personal income tax is that there may be a variety of ways in which we decide to spend it. I dare say that some who are better off in this province will simply invest it outside the country. That won't make one new job. I point out that the per capita debt of Canadians over the age of 15 has grown since 1970, in today's dollars, from \$7,440 to \$19,680. A number of individuals have said, "I'm going to pay down my personal debt." I'm afraid that won't have the effect we would like it to have on the economy of Ontario.

I want to share with you some comparisons of tax competitiveness. The Minister of Finance, I believe it was just Thursday, said we are the highest-taxed jurisdiction in North America. If you take just personal income tax, which was being referred to at that time, that is true. We are one of the highest-taxed jurisdictions in North America. In fact, in Canada we're second only to Quebec. Unfortunately, notwithstanding the promise of the government that it was going to give the first half of the 30% tax reduction up front — we are now almost a year into the government's mandate — half of that tax reduction, half of the half they promised up front, will be given beginning July 1 and the second half at the beginning of January 1997.

The personal income tax reduction that's being offered by the government will go some way to making our personal income tax fairer, but as we know, in this global economy it isn't just personal income tax that either attracts or in some cases deters companies from establishing themselves in any given location. I suggest to you that most often it's the corporate tax, because after all it's the bottom line that companies are looking for and the tax jurisdictions they look at before they settle, because many of the executives of these companies, as I say, can shelter tax offshore.

If you compare us to the G-7, we are right in the middle. There are three lower than us: the US, Japan and the UK. And there are three higher than us: Italy, Germany and France. When I say that the USA is lower than us, they're in the area of about 30% of GDP, and we're at 36.3% of GDP. The comparison then is often made that, well, we have to look closer than that even. We have to look at our borders. We have look at Michigan, for example, as being one of those areas that we are not only in competition with, but that we have to compare ourselves to.

I would quote from an article by James Walker, a national affairs writer for the Financial Post. In his article he says, "To hear Ontario Premier Mike Harris tell it, in Michigan they've lowered taxes 21 times in four years and now enjoy their lowest unemployment levels in 25 years. Harris gushed this out in a speech to supporters this past month."

One of the problems with that, and one of the things that Premier Harris didn't say at that time, is that there has been a significant increase in consumption taxes, sales taxes and excise taxes in the state of Michigan. Like many other examples that Premier Harris cites in the US, they just may not be exactly what they appear on the surface unless you include everything.

When we come to interprovincial tax comparisons, the total burden in Ontario including all levels of government, we were the second highest in Canada. The total tax burden in Ontario is about 37%, compared with a national average of 36%. So again we're very close at least to the average.

I'd also like to point out that there are some areas where we compare favourably with other provinces aside from personal income tax, such as the top marginal rate for dividends in 1995. Again Ontario was right in the middle of all the provinces in the great Dominion of Canada.

When it comes to corporate tax comparisons — again this is an international comparison, taxes on corporate income as a percentage of GDP in the G-7 countries — Canada was the third lowest of the G-7.

All I'm trying to point out here is that when you talk about taxes, to be fair, we have to talk about all taxes and we have to be all-inclusive. We're in a global market and we can't just simply look at personal income tax and draw that comparison.

When I said earlier that I felt we have a high-risk strategy with the attempts that are being made by this government to attack the deficit by its decrease in spending, and yet on the other side the tax credits that are being given, I feel the time has come in these budget considerations when the government has decided that if we're going to cut income tax, if we're going to give a tax cut that's mostly going to go to the rich, we have to get some money somewhere. I think probably this came along later in the budget deliberations, because we had the Minister of Economic Development, Trade and Tourism stand in this place and say, about eight weeks before the budget came down, that VLTs, video lottery terminals, were not going to be put in place in the province of Ontario.

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Something happened in those eight weeks and I think the something was that, notwithstanding the misgivings of the Minister of Finance that he's expressed in the past, someone has said: "Folks, we've got to find more money. It's as simple as that. We've promised this tax cut. We're living on it. We've signed documents" — although the Premier signed a document saying that if he didn't fulfil his promises, he'd resign.

He said: "Look, folks, I've signed that thing and I'm going to have to resign if we don't give this tax cut, and yet I've also signed documents that we're going to



balance the budget. In fact, I've signed documents that say we're going to bring in balanced budget legislation." Unfortunately, we didn't see that in the budget speech, but I expect it'll come along.

The Premier has said: "I don't want \$1 million a day coming in to the province of Ontario. I don't want the money. I don't want the Ontario government to have it." In other words, he's said time and time again, "We don't have a revenue problem; we have a spending problem."

As I said, I think with the advent of the VLTs that we have seen in the budget speech, suddenly they do have a revenue problem and this is how they're going to solve it. They've given the tax break to the rich. "What are we going to do now? We've got to go out and get the money from some of those who least can afford it." How's the best way to do that? You introduce the crack cocaine of gambling; you introduce VLTs.

Initially they've said: "No, we're going to put them in controlled environments. We're going to put them into racetracks and we're going to put them into permanent charitable casinos." I happen to think that if you're going to put any form of gambling any place in the province of Ontario, a racetrack is a good place to do it. I think, with all due respect, that the government has proposed a good thing in reducing the provincial tax rate on harness racing. I think that's good. They could have stopped there just to see how effective that would have been.

But no. Even though we felt that any casino in this province should have a referendum, they've said, "No, without consulting anybody, we're going to put video lottery terminals in racetracks and we're going to put them in what we are now going to call 'permanent charitable casinos.'" Frankly, a permanent charitable casino in 50 locations in the province is no different, except perhaps in size, from the casino in Windsor and the casino in Niagara Falls, for which a referendum was taken.

The Speaker has said he wants a referendum on that and I agree. Anything like that should be done by referendum because these video lottery terminals, which by the way — and I'm reading from the speech of the Treasurer, "Once an acceptable implementation plan is developed, the network can then be expanded to the hospitality industry," having regard to certain "guidelines."

It's strange — after an implementation plan is developed — yet in the speech they already have the guidelines. I don't understand that. I asked the Minister of Consumer and Commercial Relations just last Thursday if in the province of Ontario we have a comprehensive strategy for gaming. His answer would indicate that they don't have one, and yet they've got some of the guidelines on which they're going to take these video lottery terminals, the cocaine of gambling, and they're going to take them beyond just horse racing facilities and the permanent charitable casinos.

I'll quote from an article by David Lewis Stein of the *Toronto Star*: "You can also see these 50 casinos becoming a back-door way of bringing high-stakes gambling to a neighbourhood near you." I think that's as true a statement as could be made.

I want to finish, because I only have a couple of minutes. Quite frankly, when I think back, I probably should have taken the whole half hour to speak about

VLTs. I want to tell you what a few professionals have to say about VLTs, and then I want to you go home and think about it tonight.

Garry Smith, who has become a gambling specialist at the University of Alberta, about VLTs: "First of all, it's the speed at which you can play. You can complete a game cycle in about one and half seconds once you're adept at playing, and because of that, you get the feeling that you're constantly in action," and that's what gamblers seek.

The article goes on to say, and it was Professor Smith's name on this as well: "Indeed, racing and betting have declined sharply in recent years"; that is, harness racing and purebred racing betting. "These video gambling machines will let bettors amuse themselves between races and help tracks make up the drop in betting."

As I say, in a very controlled atmosphere, and if you have mature gamblers, I guess that's fine. But I'm going to conclude by quoting a Mr Barsany of the Canadian Foundation on Compulsive Gambling. The concern with him and frankly the concern with me, and it should be the concern of this government, is our young people. "It's perfectly suited," he says, "and susceptible to the fast, computer-driven pace of video games. The VLT is one of the most addictive forms of gambling: addictive because it's fast, addictive because it provides instant gratification, addictive because it's paced for the modern way of thinking of young people of computerized gambling instead of dealing cards and throwing the dice."

It's the effect of video gambling on young people that's caused the most concern in the growing number of studies about video lottery gambling in Ontario. I'm sad to see that the government is so hungry for revenue that it's going to go out and pick the pockets of many of the people who can least afford it in an uncontrolled atmosphere.

We don't have vending machines for cigarettes any more, because our youth could have access to them. There were penalties involved with that, but that didn't matter; we took the vending machines out. I'd like you to consider, although I think it's too late with this budget, that you also think hard before you put in the VLTs.

**The Acting Speaker (Mr Gilles E. Morin):** Questions or comments?

**Ms Marilyn Churley (Riverdale):** I want to congratulate the member for his comments. I want to speak for a few minutes about the issue which the member ended on, and that is the issue of VLTs.

I'm sure some people in this House are aware that when the NDP was in government I had responsibility as the Minister of Consumer and Commercial Relations, at that time to bring forward policy around casinos in the province of Ontario. I spent a great deal of time working with officials from my ministry and the larger community figuring out the best approach to expanding gambling in Ontario. I have to admit, and many people were aware of it at the time, that even as the minister responsible, I had some grave concerns about expanding gambling in Ontario.

We took a very cautious approach, and that approach was to have one pilot project in Windsor, where the majority of citizens were supportive. Of course, cross-



border shopping was a major issue at the time. At that time, there was quite a lot of lobbying from, in particular, the hotel, motel and restaurant associations and some others — the horse racing industry — who indeed were having, and are having, some problems competing, about putting VLTs in their premises. We categorically rejected the notion of going further and bringing in VLTs. We categorically rejected that notion because, as all evidence points to, it is the —

**Mr Stockwell:** But you built a casino. No, you built two casinos. VLTs bad, casinos good.

1700

**Ms Churley:** Yes, VLT is bad. It is the crack cocaine of gambling. Our youth and the poorer people in our society will be robbed by these machines and this government should be ashamed of itself.

**The Acting Speaker:** Thank you. Your time has expired. Comments and questions?

**Mr Jim Flaherty (Durham Centre):** I listened with interest to the speech of the honourable member for Essex South. I believe, if I understood his thesis, his theory, correctly, the criticism of our government's budget is that it is risky, and risky because it combines spending reductions with tax reductions, resulting in a balanced budget over five years.

If we go back to May 1995 and test the thesis, the Liberal member for Essex South was campaigning, as were we all. His party had been in government from 1985 to 1990, had increased spending on average 10% per year in good times, had increased taxes numerous times on the people of Ontario, had increased the public debt during those five years of good times.

Then in May 1995 the Liberals were seeking to be the government of Ontario and were advocating spending reductions, a balanced budget over four years with tax reductions, the same contents one finds in the budget that the Minister of Finance presented in this House last week. Now the Liberal member speaks against his party's own election platform. So in May 1995 we get one story and in May 1996 another story from the Liberal side of the House.

Is it any wonder that the Globe and Mail published a poll last week showing politicians ranking only above lobbyists and car salesmen in terms of public esteem or lack of esteem when you get one story in May 1995 and another story in May 1996? Unlike the Liberal members opposite, we keep our commitments to the voters of Ontario as set out in that budget.

**Mr James J. Bradley (St Catharines):** I'm surprised, first of all, the previous member has made some disparaging remarks about car salesmen. I've always found them to be very honourable people in our society and I know the member for Etobicoke West must be very annoyed to hear that.

**Mr Stockwell:** There's no vote you won't suck up to, is there?

**Mr Bradley:** But the speech was an outstanding speech, and let me tell you why. He made reference to the video lottery terminals. Now if I were a betting person, and I am not, I would bet that at least half the Tory caucus must be at the very least uneasy and at the most opposed to this escalation of the kind of gambling

we've seen in this province and the addiction of this government apparently now to gambling and other governments across the country to gambling revenues.

I suspect the reason the Minister of Economic Development, Trade and Tourism, Bill Saunderson, didn't know anything about it a few weeks ago in committee when he was asked about it and said they weren't going to do it, is because they weren't getting the kind of heat at that time about the tax break. What's really happened along the way was the government finally started to hear from conservative economists who told them, "If you give this income tax break, what you're going to have to do is you're going to have to borrow \$13 billion to pay for it," or more than that at the time. So they had to get some quick, easy money.

Unfortunately, the people who would be most inclined to use these will be those in desperate circumstances, the most vulnerable people in our society, people who are addicted to gambling. So this government's answer is the introduction of the most insidious form of gambling, and I'm glad the member for Essex South brought that to the attention of this House and others in the province.

**The Acting Speaker:** Questions or comments? The member for Etobicoke West.

**Mr Stockwell:** Mr Speaker, I'd like to thank you for this opportunity. I will say this is probably the easiest budget that we're going to have to deliver. I don't have any doubt about that. I don't think anyone on this side of the House or over there would argue with that. It seems to me that for our budget to come to fruition, it will have to see some economic prosperity and some decent growth numbers. There's no doubt that we need inflation to stay at a reasonable level and that the lid has to be kept on interest rates.

I think we also understand that in selling this budget, or as I have done so in my riding, I have told the people of Etobicoke that before we get too excited about this budget, there are going to have to be tougher budgets in the next few years, and those budgets in the next few years are going to be more difficult for us to defend because the spending cuts are going to still be in there. There are going to be \$6 billion or so spending cuts, maybe more. We're going to have to pass through some further tax cuts that we've got to come up with revenue for.

I know the federal government's planning on continuing to reduce our commitment in transfer payments. That won't be helpful.

**Mr Len Wood:** Hey, you can't blame the feds for this.

**Mr Stockwell:** I'm not saying I'm blaming the feds, the member from Cochrane. I'm not blaming them, I'm just telling you that they've not been helpful to the people of the province because they've consistently reduced the federal commitments.

**Mr Len Wood:** You're doing the same thing Brian Mulroney was doing.

**Mr Stockwell:** Obviously the member for Cochrane South is barking about Brian Mulroney. Okay, fine, Brian Mulroney.

Anyway, the point I'm trying to make is we understand this is going to be more difficult in future years. Given the options we were faced with, it seems to me the



prudent approach was the one we adopted during the campaign, and that was to reduce government expenditures and rein in government spending. I understand why you people oppose that now. What I don't understand is why were you in favour of it during the election.

**The Acting Speaker:** The member's time has expired. The member for Essex South, you have two minutes.

**Mr Crozier:** Two minutes is such a short time, but I want to first of all say to the member for Durham Centre, who said that we were proposing tax cuts and now we seem to oppose them, not at all. We were proposing targeted tax cuts. In fact the first one we would propose was to take the 5% sales tax off auto insurance, which would have been about \$264 million a year, and we would have targeted a total of 5% in tax cuts over the term of the government. But what we would have done at the outset was, yes, attack spending, attack the deficit, try and reduce the deficit to zero over those four years.

I think without saying —

**Mr Wettlaufer:** How many jobs?

**Mr Crozier:** If you're going to create jobs, why wouldn't that? It's as simple as that.

**The Acting Speaker:** Please address the Chair.

**Mr Crozier:** What we didn't say was we'll produce 725,000 jobs and then find in the budget that's been cut to 280,000. I'll tell you that. We know the deficit has to be attacked, but we would have done it in a targeted way.

In conclusion, I just want to say, here's part of the problem we're dealing with. Mr Pollock, who's the president of the Ontario Video Gaming Corp, says, "I don't think it's society's role to tell people how to spend their money. I think gambling is certainly better for you than smoking" — I guess that's his opinion — "and I don't know about drinking. I don't have any difficulty with people playing on a modest basis," and that's what we're dealing with. What's a modest basis?

There are hordes of people who disagree with him, but please, government, consider what this is going to do to young people who are going to grow up in an atmosphere of gambling, not like me when there wasn't gambling when I was younger, except that it was illegal, and if you think you're going to stomp out the illegal gambling, you're wrong.

**The Acting Speaker:** Your time has expired. Further debate?

**Mr Len Wood:** I want to take a few minutes today to make some comments on the budget that was tabled last Tuesday. If we're looking at some of the news stories that are coming out of the papers — "Eves Ploy Revealed Between a Spin and the Truth." I hear some of the Conservatives saying that it's going to be easy to sell the budget. All the tax breaks that are going to be given are going to be more than eaten up by user fees, increased property taxes.

The front page of the local paper says that because of Mike Harris's cut in transfer payments to Kapuskasing, the town is going to increase taxes by 2.6%. That's just on property taxes. If you take the other user fees that the municipality is going to have to impose, plus the user fees the government is imposing, it's going to cost anybody who gets a tax break of \$200 to \$250 in a year \$500 or \$600 in user fees. Seniors — most of their

pensions are not indexed from private plans — are going to have to pay \$2 for every drug prescription they get, so their standard of living is going to be continuously eroded.

1710

For a whole year the Conservative government never came up with a budget; now, a year later, they come up with their budget. This part of the budget was supposed to be a good news story, but on Focus Ontario Saturday night people were calling in and saying to the Minister of Finance, "Well, if this is such a good-news budget, why did I get my layoff notice in the mail?" A teacher phoned in. People phoned in from Ontario Hydro. They're just devastating the north.

Chris Hodgson was in North Bay, Mike Harris's home town, to make a major announcement. The mayors and reeves almost laughed him out of the hall because he said: "I'm here to make a major announcement. I'm going to fire the 20 people who are in charge of the heritage board and I'm going to appoint 12 new people." Some of the 12 new people were defeated Conservative candidates in the last election. These are the qualifications they have to replace the 20 heritage board people we had on the board.

At the same time he said there was no money left in the heritage board fund, which is not completely true, because when you put \$60 million on top of \$40 million and with the interest on that, you come up with a fund that he says is somewhere over \$100 million.

To go into North Bay and spend taxpayers' money to make an announcement like that didn't make any sense whatsoever, because the heritage board money was always there. The board of directors were doing a good job. Just because they've got some Conservatives who were defeated in the last election, they wanted to find a place to put them, so they made an announcement of that kind. It didn't go over very big, I can assure you of that.

When Mr Eves claims that his budget is for the people, he's fundamentally wrong; it's sadly wrong. This is a budget that was brought out on December 7. It takes a lot from the people of Ontario. Their standard of living is going to be reduced. At the same time, all they're doing is reducing the deficit from \$9.1 billion to \$8.2 billion, a reduction of \$900 million, and yet they're forcing school boards, municipalities, hospitals and health care to reduce their budgets and send pink slips out to hundreds of people.

My daughter, who has been teaching in Hamilton for five or six years, got a layoff notice and said, "Well, why?" The school board says it's because Mike Harris cut back on transfers that are going to the school board and they're going to have to reduce the number of caretakers, secretaries and teachers.

I go into other areas of the province. I've travelled this province a fair amount in the last month. I was in the Manitoulin Island area, I was in North Bay, I was in Thunder Bay, as well as travelling through my own riding, and there were no good comments coming out of the budget that was announced. Of course, the only two Conservative members from the north, as you're aware, are Mike Harris and Ernie Eves.



**Mr Martin:** And they're really not from the north. Mike's moved to Toronto.

**Mr Len Wood:** They're not from the north, I guess. North Bay is the gateway to the north, so it's the beginning.

A promise was made. People who were out selling the Conservative pledges during the last campaign — they call it the Common Sense Revolution — said, "We're going to create 725,000 jobs before the end of our mandate," yet all we heard last July was, "We're going to take \$2 billion away from the women, the children, the poor and the disabled in this province so we can build it up into a fund and give it back to the wealthy people." They did that last July and they made it effective October 1.

They made further announcements in funding for winter maintenance. I mean, imagine, during the worst winter we've had, when the only money that Palladini was willing to spend was to get the Solicitor General to send out the OPP to close the roads so that —

**The Acting Speaker:** Order, please. Just take your seat. Just a reminder: When you talk about a member, you don't mention him by his family name; you mention his riding, please. And that applies to everyone.

**Mr Len Wood:** Yes, there's no doubt about it. But I'm proud of my name and I don't mind people calling me by my name, a family name that goes back.

But it's a disgrace, what we had to go through with the Minister of Transportation and the Minister of Northern Development and Mines. They're still talking about it. Even though we're having sunshine now and the snow is starting to melt, they're still talking about the disgrace it was to have to risk yourself travelling on the roads, and it's going to be worse again next year because they've cut the money for winter maintenance. They continue to reduce that.

It's not only the fear of the winter roads. They're putting people at risk throughout all northeastern and northwestern Ontario by closing down all of the fire stations. We had 19 fire stations through the MNR within northeastern and northwestern Ontario. There are only two that they've left open. One of them happens to be in the Minister of Natural Resources' riding and the other happens to be in the Minister of Finance's riding. We've never seen forest fires in these particular areas. So they closed down the 17 fire stations. Where there were forest fires, people had to be evacuated from these communities because of risk to their lives of dying from smoke. Now, after a bad fire season last year, the Minister of Natural Resources — it's unfortunate he's not here today, but he's well aware that total communities had to be evacuated or the people would have died and the towns would have been destroyed. So it's one thing after another that they've completely destroyed.

Every newspaper that I've opened up since the budget was announced last Tuesday is saying, "What is the fairness in a budget that would put \$7,000 in a person's pocket who's making \$200,000 a year and would give only \$400 to a person who's making \$20,000 a year?" Then on top of that you have the Premier who is forcing user fees on to these people who are making \$20,000 a year, and it'll probably cost them maybe \$600 in user

fees, in increase in taxes. There's no end to the suffering and pain that is going to go on as a result of the attack put on the people of this province.

If you're looking at the debt and the deficit, during the campaign the Premier was out campaigning at that time and was saying the debt and the deficit are too high, and yet he and the Minister of Finance are prepared to go out and borrow at least \$22 billion — probably higher than that — to give a tax break at the same time as taking away \$8 billion from the poor and the unfortunate people in this province. They're going to run the debt up way over \$100 billion, probably up to \$125 billion by the time the next election is called. They're running a deficit of \$8.2 billion.

So we're going to be looking at all of the line-by-line ministries. Where are they spending this money? What kind of irresponsibility is happening on the part of the Tory government that they would operate in this fashion at the same time as giving — the last figures I saw, it's close to 13,000 people who are going to be laid off within the public sector, and 2,200 of those are going to be in MNR.

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When we asked the Minister of Natural Resources, "Why? How can you justify an attack on northern Ontario?" his argument was: "I could have been a lot more severe than that. I'm doing a favour to northern Ontario. I'm only cutting 45% of the jobs out of northern Ontario; I'm cutting 55% out of southern Ontario." What he doesn't understand is that northern Ontario only has 10% of the population. When you take 45% of the layoffs out of a population that's only 10% of the province, it's totally devastating.

They've taken \$430 million out of post-secondary education, and at the same time they've boosted the tuition fees by 20% for universities and 15% for colleges. Then they turned around and said, "We'll put \$100 million back in for reinvestment." They took \$1.78 billion out of the hospital sector and they've only put a small portion of that back in. I understand that somewhere around \$30 million has been reinvested.

The hospital sector has been cut by almost \$2 billion, they've slashed the highway capital project by \$540 million, and now they have the nerve to say in the budget, "We're going to announce \$40 million for the north and \$100 million for the south." The day before the budget came out they had already announced that \$10 million or \$12 million of that had already been spent on four-laning the highway from North Bay to Powassan. There are only pennies left to maintain the highways.

The Minister of Transportation said: "I'm sorry. If I see a pothole anywhere in Ontario or northern Ontario, I'll personally go out and fill up the pothole." That's not what we're asking for. We're asking that you do not leave a debt to the province of Ontario by refusing to maintain this infrastructure that's out there. If you don't spend the money on a regular basis, it's like having a house and letting it fall apart. It's worth nothing whatsoever. If it's worth \$100,000 today and if you let it fall apart, it's worth nothing six months, a year or two years down the road. That's exactly what's going to happen with our highway system.



On child care: It's a shell game they're playing with child care. They're saying, "We're going to cut by \$50 million and then we'll put another \$40 million back into it." It's less and less that they are spending.

When you look at the total reduction — and I have to turn the clocks back — if you take the \$2 billion that was taken away from the children in this province through a cut in welfare to the women, the poor, if you take the \$2 billion that was cut there, if you take the 23% that is cut in capital spending for roads, bridges, schools and hospitals, you have the \$4 billion there that they're going to give back in the 30% tax break, and most of the 30% tax break will be used up. Those who are going to put it back into the economy, it'll be used up in user fees. You'll have the 10% fairly well-off people in this province who are going to get the majority of the tax break. They're telling me and they're telling other people — I'm sure they're telling the Tory caucus as well — that they have no intention of spending this on job creation out there and hiring extra people.

For the Conservative caucus to go out during the last election and campaign and get elected on June 8 with a promise of 725,000 jobs which are going to be created over the period of time — where is the job creation program? We know the tax cut is not going to do it. A tax cut of 30% is not going to create the jobs, and most of the tax cut is going to go to the 10% in the upper part of the income of the province.

The layoffs that are happening: Although all of the school board budgets haven't been announced as yet, I have an article here from the Northern Times. A reporter out of Hearst says that the Roman Catholic separate school board in Hearst will have to cut 17 jobs as a result of Mike Harris taking away \$875,000 in provincial education grants, so we're talking about 13 employees getting their notices on June 30, and there will be other ones who will be getting them before September. If you multiply this across the province, in just five school boards in southern Ontario it's 10,500 teachers and other staff who are getting their layoff notices. Within the government sector alone, we've had 10,500 notices that have gone out or will be going out before Victoria Day, as well as the 2,000 to 3,000 who had already disappeared.

Unemployment in the province is going to continue to grow. In northern Ontario, we always have higher unemployment than in the rest of the province, and the unemployment is longer. I was fortunate, and my colleague the member for Sault Ste Marie. We were happy and pleased over the last four or five years to be able to stabilize some of these communities; in Kapuskasing with the new employee ownership at Spruce Falls Inc. It's just amazing how they've grown and expanded. They've put back the sawmill that Kimberly-Clark had torn down. They put back another paper machine that the former company had taken down. They're making a profit. They've gone from breaking even five years ago to showing a profit. If they continue on with what their quarterly reports are showing, they'll be up about \$90 million in a year. It's nice to be able to have that cash in the bank when you think back to when we first got elected as the NDP government. All the communities and

all the major companies were saying, "I'm sorry, we're going to have to walk away from these companies."

In my two-minute response earlier, I pointed out that had it been a Conservative government from 1990 to 1995, a lot of these communities would have been ghost towns, because to put together a lot of the employee ownership plans, whether it was St Marys Paper in Sault Ste Marie, Algoma Steel, Provincial Papers or de Havilland, all of these places, we had to have legislation put in place so that the employees who invested in the companies could get a tax break provincially. We had to put in place employee ownership legislation so that the tax breaks could be given. After you'd invested for five years, you would get a tax break for those five years and then you could sell your shares. The new Tory government has extended that to eight years, but in any event, at that point in time you had an NDP government with 70 seats and you had a Liberal official opposition, and the Tories had 17 or 18 members in their caucus. They voted against the legislation that we brought in as a package. They would not accept it. As a result, if they had been in government, they would have shut down Sault Ste Marie, turned it into a ghost town — Kapuskasing, Thunder Bay — how many other communities?

I know the present government is saying that it's looking for growth of 2.8% for 1997, 2.8% growth for the next year, but in 1994, when the NDP was in government, we had a 5% growth, and there were a lot of jobs that were being created at that time, even though three years prior to that we had lost a lot of jobs.

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As I mentioned earlier, the heritage fund was implemented and designed to create jobs, protect jobs and help in the growth of northern Ontario. Now, with one stroke of the pen, the Minister of Northern Development and Mines goes into North Bay and makes an announcement: "I'm sorry, we're going to have to fire the 20-member board of directors that the NDP government appointed, and we're going to appoint our own 12 Conservative supporters," whether they were defeated candidates in the last election — in the case of the one who's coming out of Kapuskasing — or whether they're just Tory supporters in other communities.

They're saying they're not going to continue to help out businesses or industries that want to expand and create employment so that people will stay in the north. They're saying they're going to use this for the developing and marketing of regional tourism and enhancement of projects, telecommunications, transportation infrastructure and improvement. They're saying they're going to use that heritage money for transportation infrastructure. They cut all the transfers to all the municipalities, school boards, hospitals and everything, and now they're saying they're going to use the heritage money to replace that, I guess. That's what it looks like in the comments they're making.

They're saying "...other economic development initiatives to ensure northern communities remain attractive places to live and work." Well, in northern Ontario the places are attractive. They're nice places to live in. They're good places to live; they're good places to work. But if you see a community that is struggling and having



a hard time, why not work with the unions, with the private sector companies and community leaders and say, "Let's give a loan or a grant to a business"? Whether it be a sawmill or whether it be every five, 10, 15 jobs that the private sector is not willing to do on its own, why not continue putting money back into the communities, because the return that comes out of there is immense, instead of just destroying everything we had put in place for years?

I know some of the municipalities are saying they're happy with user fees. At least they're saying it doesn't show up on the property taxes. But it's going to mean some people are not going to be able to use the services because of the user fees. They're on a restricted income.

We hear all kinds of examples coming out of schools, where the teacher tells students in grade 8 or grade 9: "Your clothes seem to be loose. Are you not feeling well? What is going on?" In one particular case, a person said: "Yeah, I know my pants are almost falling off, but my mother's on welfare and I have a younger brother and sister, so me and my mum, we can't eat as much as what we'd like to have. As a result, our clothes seem to be getting bigger, but we have to do that. We have to make a sacrifice because the Conservative government cut the money we need. I'm the oldest one in the family, and me and my mum, we have to only eat a little bit so that the other two children don't go hungry." Is that really the society we want?

I'm getting examples of that as I'm travelling through my riding. I'm even getting examples of that in the county of Perth where I was born and raised. I talked to my family and they're saying the same stories are coming out of there. So it seems it's a situation that's spreading right across Ontario.

These are the children who are the future. These are the people who are going to be standing in our place at some point in time, making the decisions we are making. If they are not kept healthy enough so that they can get a good education and we can look after them, they're going to become a burden on society.

Over the last number of days, I've heard Bud Wildman and Tony Martin and other people using examples of the sacrifice and the pain that's being inflicted. Somebody figures they're going to get a \$300 tax break and then they find out that the tax break they were going to get, with the user fees and the increased charges, that lo and behold, they have to dig into their wallet for another \$300 or \$400 to compensate for what the Conservative government is doing to them by forcing user fees on to them.

There are a lot of areas that we could probably talk for longer than the time that I've been allotted, but I just want to go back to the fact of, if you promise during an election campaign that you're going to create 725,000 jobs, at this point, one year into the mandate, it's quite obvious that it's not going to happen. It's a broken promise. There was a promise made out there that, "We'll give a tax cut and it's going to create the jobs." We know the tax cut is coming, but the tax cut is going to be eaten up with user fees, property tax increases, school board tax increases, health care tax increases and we're not going to benefit.

On top of that, people are saying to me, "Is it not true that the Conservatives promised that at the end of their mandate they would have a balanced budget?" I said, "Oh, yeah, that's right." So you can expect next year and the year after that you're going to have more pain and suffering because they've got \$8.2 billion more that they're going to have to cut each and every year if they want to have a balanced budget by the end of their four-year mandate.

**Mr Martin:** They're still not going to achieve it.

**Mr Len Wood:** They're not going to achieve it. It hasn't worked in any other jurisdiction in North America and for the Conservatives to go out and campaign on a bunch of weird promises that they said they were going to implement — it's not going to work. So I don't know if they're going to do like Sheila Copps did and resign. That would be a promise that they would keep. She kept her promise and resigned and has a by-election. I don't know if Mike Harris is going to keep his promise or if he's going to break his promise and try just to ride it out until the end of his mandate and have an election four or five years down the road. I think with that, I'll save my other remarks for another day.

**The Acting Speaker:** Questions or comments?

**Ms Churley:** I'd like to congratulate the member for Chochrane North. He spoke very, I believe, plainly and with a great deal of common sense, real common sense about what's happening to people. In summary, because I've only got a couple of minutes here, what the CSR said it would do in four years, let me remind people, is the revolution would give everybody a 30% tax cut, it would reduce the \$8 billion deficit to zero and create 725,000 new jobs. That's what they said they were going to do.

Now, with finally the budget being brought down, the government very, I suppose, cleverly tried to separate the cuts, the \$8 billion in cuts that we're going to see — some have already been made — separating that from the budget and the tax cuts and saying that there is no connection.

One of the things that I think members of this government absolutely have to do is at least admit that the cuts are having an impact on people, particularly welfare recipients and low-income people, that there are more user fees, there will be even more user fees, that municipal taxes are going up and will go up and that some people are suffering a great deal as a result of the cuts. That has to be admitted, and unfortunately, what happens sometimes when governments are trying to defend their records, they will turn a blind eye to the suffering and pain that is being caused by cuts and changes in policies that are being made. That is what is happening here with this government.

I know the government isn't going to change its mind about a lot of these policy changes, deregulation and tax cuts and all of that, but I would ask government members to not turn a blind eye to the suffering and results of the cuts that they have made and try to do something about it.

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**Mr Hastings:** I guess the comment I would like to make about the observations from the member for



Cochrane North and any other subsequent remarks today is that I've heard from the members opposite on several occasions that they know there has to be some kind of restructuring going on in this province as a result of what we inherited. We tend to talk about that theme, but when you get to the actual specifics, they always drop back to, "Actually, you don't need to make any changes because everything's perfectly okay."

The member for Riverdale points out that when you make a change, obviously there are going to be people who are hurting. We know that. We know that some people are going through pain because of loss of job. Some of our policies are not helpful in that broader context. But I think what she fails to remember and forgets rather conveniently is what is the ultimate objective of this particular exercise. I would say that the ultimate objective is to deal with these problems now or allow them to become even worse, to exacerbate the situation.

Surely the members opposite don't want that, but when you listen to them over and over, what I generally hear is: "Everything's fine. Keep to the status quo." The status quo type of thinking across the way is certainly in full bloom in these comments and we don't get to the real issues. The real issues are fiscal debt and deficit, but over there they really aren't. That's why I was saying it's like a myth when we know it isn't a myth at all.

**Mr Michael Brown:** I enjoyed the speech from my friend from Cochrane North. I think it was interesting that he talked about the heritage fund right off the top of his speech. I thought that was one of the more interesting, if you can term it that, government announcements.

As you know, in the budget announcement the Minister of Finance announced that there would be \$60 million replaced in the heritage fund that had been taken out by the former New Democratic Party government and transferred to general revenue, plus there would be \$5 million in interest paid.

Unfortunately, I'd asked a question in the Legislature a little earlier. I'd asked the Minister of Northern Development and Mines if he would be paying the \$30 million for this year, the \$30 million that was due the heritage fund this year. The minister stood in his place and gave me all the assurances in the world that the \$30 million would be placed in the heritage fund this year.

You know what, Mr Speaker? I'm sure you do know. There is not \$30 million being put into the heritage fund. The \$60 million that is being taken back from general revenues and being replaced in the trust doesn't add. You can't make that add up. The minister says there's going to be \$120 million in the fund altogether. There was \$78 million in it before this government took power. They haven't spent any of that. Add \$90 million to that, that's \$168 million, and there's only \$120 million showing in the books.

I'm confused. I think northern Ontario is offended by the spin that this government is putting on the heritage fund, and I'm happy the member has brought that up and has said, "We, as northerners, want a proper accounting for the heritage fund."

**Mr Martin:** I just want to as well commend the member for Cochrane North. He makes an excellent

point, and nobody better to make it than him. There isn't a member in this House who has more credibility when it comes to speaking on behalf of working people and taxpayers in small communities in northern Ontario. There's nobody like the member for Cochrane North, who travels the distance that he does, who has more meetings —

**Interjection:** Who?

**Mr Martin:** Cochrane North. Excuse me. If you people would only come up to the north every now and again, you'd understand what these places mean and who these people represent and what communities they live in.

**The Acting Speaker:** Please address the Chair.

**Mr Martin:** If the members across only knew where northern Ontario was, they might be able to deal with some of the challenges they face re northern Ontario in a more realistic and practical sense and they would listen to the member for Cochrane North, who speaks most eloquently on behalf of the people he represents and who are going to be, frankly, given the shiv by this government re this budget that was just put out here. On one hand they're talking about a tax break and giving people money back, but on the other hand he knows and I know, because we're in contact with the people whom we represent, that it's going to be put in one pocket and taken out of the other. Every penny they get by way of a tax break will be more than doubled in property taxes and user fees.

In northern Ontario we're in double jeopardy, because every job you take out, every penny you remove from our community is money that's just gone, disappears. We can't just walk down the road and do something else. We can't just walk down the road and get another job. We just can't walk down the road and access more services; they just aren't there. Down the road for us is like 100 or 200 or 300 miles. We have some unique circumstances in the north that we have to deal with, challenges that we have to confront every day, and we have members in this place who speak on behalf of the government who don't even know where places are.

**The Acting Speaker:** The member for Cochrane North, you have two minutes to reply.

**Mr Len Wood:** I'd like to thank the four honourable members who did two-minute responses to my 39-minute speech on the budget. There is no doubt about it that I disagree with —

**Interjection:** You got 39?

**Mr Len Wood:** It was 29; excuse me. To the Conservative member who was saying we don't want to have change, we know there's change. There's been drastic change. Since the 42-year reign of the Conservative government, there has been change. The Liberals had government for five years, the NDP had government for five years, and now we see that the Conservatives are going to have government for four-and-a-half years. Then you'll have an NDP government back at the end of the four or four-and-a-half years, so change is inevitable.

You have a political party that goes out and campaigns that taxes are too high — "We're not going to raise taxes" — and then you see they bring in the VLTs and a tax grab of \$1 billion. Mike Harris said that taxes were



too high — “We’re going to reduce the taxes” — and yet it’s the big tax grab.

People are telling me they are not going to create 725,000 jobs, and the tax break that is going to go to the 20,000 or 30,000 wage earners who are making that kind of salary is going to be more than eaten up in property taxes, school taxes and user fees out there. People are going to be a lot worse off after the budget came out on May 7 than they would have been the day before the budget was announced, because it was not a good news budget. It’s laid out there as if it was going to be a good news budget, but the only thing that’s in the budget is bragging about the 30% tax cut.

What they’re not telling the people is, “For the last 10 months we’ve destroyed northern Ontario, we’ve destroyed a lot of areas in southern Ontario, and we’re not apologizing to anybody for it.” It’s a disgrace as far as I’m concerned.

**The Acting Speaker:** Further debate?

**Mr Toby Barrett (Norfolk):** In this 1996 provincial budget, Finance Minister Eves has brought in phase 1 of the government’s commitment to reduce the provincial personal income tax rate by 30%. While naysayers question this reduction, it is being done for some very clear and historical reasons. Perhaps I will expand on the little history lesson from the member for Essex South.

There is a course of events which brought us to make this promise, and to understand this I would like to look back over the past 10 years when Ontarians —

**Mr Crozier:** Go back further.

**Mr Barrett:** We’ve already gone back further — the last 10 years, when Ontarians faced the brunt of 65 new and increased taxes. I know the member for Kitchener made reference to these 65 tax hikes.

We have been hammered with a total of \$7.5 billion in new or increased taxes since the Liberal-NDP accord of 1985. From 1985 to 1994, personal income per capita increased by 54%. However, the burden of provincial taxes per capita increased by 73%, more than eroding any pay increases we may have received.

During the last decade, free-wheeling government spending, in combination with relentless tax hikes and failed job creation schemes, contributed to Ontario’s current fiscal crisis. During the same period, government spending almost doubled, from \$29 billion to \$54 billion, the deficit grew from \$2.6 billion to \$10.1 billion, and during that 10-year period the debt almost tripled, approaching \$100 billion. It more than doubled under the NDP, from \$42 billion in 1990-91 to almost \$100 billion in 1995.

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What does all this mean for Ontario today? Quite simply, a lot of money has been taken out of people’s pockets. The economy slowed and consumers, businesses and investors lost confidence. Once confidence was lost, the drag on the economy contributed to the 1990 recession. Rebuilding that market confidence depends on pumping money back into the economy by leaving money in the hands of taxpayers.

When the Liberals took office in 1985, the first thing they did, with the support of their coalition NDP colleagues, was to begin a tax-and-spend rampage that saw

Ontario taxpayers gouged with 32 new and increased taxes. Both alcohol taxes and tobacco taxes were increased by the Liberals.

In 1988 the Liberals gained a majority government and ended the NDP-Liberal coalition. The new government’s budget imposed \$1.3 billion in new tax increases. The retail sales tax was increased from 7% to 8% and its application was broadened, gasoline tax was increased, alcohol taxes were increased and tobacco taxes were again increased by the Liberals. In fiscal year 1989-90 we got another \$1.3-billion tax hike. Economic development suffered when the Liberals levied a payroll tax to draw another \$2 billion business dollars from our economy.

During a time of prosperity in Ontario — this was in the mid- to late 1980s — the Liberal government forced these new taxes on the province and still spent \$5 billion in excess of its budgets. The Ontario Liberals left taxpayers in a listing boat with neither oars nor life-jackets. The next government in office punched a hole below the water line.

The NDP government introduced its first budget in 1991 and announced it would spend its way out of the recession. To do this, the government drove the provincial deficit from \$3 billion to \$9.7 billion, a record year-over-year increase of 219%. Bob Rae decided to finance his deficit on the backs of taxpayers by imposing 14 additional tax increases totalling \$1 billion.

In 1992-93, the provincial deficit rocketed to \$12.9 billion, much higher than the \$9.7 billion forecast. To finance this addition to the debt, the NDP raised taxes once again. This was in the middle of what they described as the worst recession since the Great Depression of the 1930s. The NDP brought in another one billion tax dollars. The government then established the failed Jobs Ontario program at a cost of \$1.1 billion.

The 1993-94 NDP budget inflicted further damage to middle-income earners and an already weak economy. This budget contributed \$2 billion in increased taxes and fees, the largest single tax grab in the history of Ontario. This was a new record, extending on several large tax grabs that have been mentioned today. The provincial sales tax was broadened to cover more consumer goods, ultimately discouraging consumer spending. An analysis of three NDP budgets by Global Economics Ltd found that as a consequence of those budgets, the average Ontario family paid \$663 in additional taxes in 1993.

During its term in office from fiscal year 1990-91 to fiscal year 1994-95, the NDP government imposed 33 tax hikes and fee increases, totalling in excess of \$4 billion. What do we have to show for it? Consumer confidence hit bottom as record amounts of our money left for Queen’s Park, businesses closed and jobs were lost.

The Harris government intends to return this \$4-billion tax grab to Ontarians with a 30% cut to Ontario’s personal income tax rate. For many, this reduction will translate into their first real wage increase in many years.

People have almost come to expect that taxes will be raised in each budget. The 1996 budget is no ordinary budget; this is a budget that cuts taxes, as we now know, as promised during the 1995 election campaign. I ask, when was the last time Ontarians can remember an Ontario budget that actually cut taxes?



High taxes kill jobs, undermine government revenues and slow economic growth. If high taxes created jobs, there would be zero unemployment in Ontario today. If high taxes were good for revenues, we'd have a budget surplus and no accumulated debt. If high taxes helped economic growth, we would be living through a bonanza right now.

The tax-and-spend decade very clearly did not work. The last two governments in this province hiked taxes no fewer than 65 times, as pointed out by the member for Kitchener. This included 11 personal income tax hikes. Consumers were given 65 reasons not to spend money. Businesses were given 65 reasons not to hire new employees. Investors were given 65 reasons to keep their money out of the economy. That's 65 reasons why our economy is moving so slowly now to recover from the recession.

Bob Rae alone increased total tax rates the equivalent of some \$4 billion. What did we get? Nearly 9% unemployment, successive double-digit deficits and an accumulated debt of almost \$100 billion. Ontario now has the highest per capita number of people in the country trapped in a cycle of welfare dependency.

Despite those huge tax rate hikes, the government didn't really increase the dollars it took in. The reason is simple. For most Ontario families, after you've paid the bills, the rent or the mortgage, fixed your kids' teeth and bought your groceries, there's nothing left. Rather than money left at the end of the month, there's month left at the end of the money. Forget about a new fridge or a new stove or home repairs or a new car or a restaurant meal. Forget about paying down credit cards. Families just couldn't afford it.

Ontario families are the critical link to our economic recovery. Small businesses, retailers, store owners in my riding of Norfolk live or die by customers' ability to buy. These entrepreneurs are the backbone of our economy. Small business owners create the vast majority of new jobs in our province today. The problem is, not enough people are buying. The idea of disposable income has been disposed of because governments historically have taken more and more of our own money. We never see it again.

It makes sense to say it's time the government left more of our own money in our own hands to get people spending again, to boost the consumer economy, to kickstart the recovery; quite simply, to create jobs. It's this kind of plan that the government is following. Unlike past Liberal and NDP governments, who made it their priority to raise the revenue of the Ontario government, our goal is to raise the average income of Ontario families.

Our government said it would cut taxes to create jobs, and it will. This will return roughly \$4 billion over three years to taxpayers' pockets. That means we're taking the total tax burden back to where it was before Bob Rae.

Some who oppose lower taxes say the government's plan is a giveaway to Tory friends. Let me be clear about the friends that elected this government to keep its tax cut promises. They're white collar and blue collar, middle income and lower income. They're behind desks, they're behind the wheels of trucks, combines; they include farmers and farm workers. Their roots go back many generations in my riding, and they are also people who have just arrived to start a new and better life in a better place. These are the hardworking people the tax cuts will help.

Can we afford to give this tax cut? After 10 years of tax hikes and rising spending that killed our economy, we can't afford not to. Ontario has the second highest taxes in North America. All around the world today, jurisdictions are cutting taxes. In recent years more than 50 countries have reduced taxes for businesses or individuals. Michigan, for example, which is Ontario's single largest export market, lowered taxes over four years and now enjoys its lowest unemployment level in 25 years.

In conclusion, these are some of the reasons why the government in Ontario must cut provincial tax rates: because it's good for the taxpayer, it's good for job creation and the economy, it's good for our competitiveness —

**The Acting Speaker:** Order. It being 6 of the clock, this House stands adjourned until 1:30 of the clock tomorrow.

*The House adjourned at 1800.*

## ERRATUM

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## Assemblée législative de l'Ontario

Première session, 36<sup>e</sup> législature

# Official Report of Debates (Hansard)

Tuesday 14 May 1996

# Journal des débats (Hansard)

Mardi 14 mai 1996



Speaker  
Honourable Allan K. McLean

Clerk  
Claude L. DesRosiers

Président  
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# LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday 14 May 1996

# ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

Mardi 14 mai 1996

*The House met at 1331.  
Prayers.*

## MEMBERS' STATEMENTS

### CITY OF KINGSTON

**Mr John Gerretsen (Kingston and The Islands):** An act to incorporate the town of Kingston as a city was passed by the predecessor of this Legislature on May 18, 1846. Therefore, this Saturday, May 18, marks the sesquicentennial of the city of Kingston.

Kingston is one of the oldest European settlements in North America, the oldest in Ontario, dating back to 1673 when le comte de Frontenac landed on the shores of what is now Kingston and Fort Frontenac was built. A few remnants of the fort can still be seen and viewed today.

Kingston's position at the juncture of the St Lawrence River and Lake Ontario ensured its importance as a naval and military garrison and made it the prime commercial port in the 19th century. Kingston's central position, garrison and defences brought it to the political front. In 1841, it was selected as the first capital of the united provinces. Indeed, many of the stately limestone public buildings and private residences were built during its golden years of the 1840s and the city earned its nickname, "the limestone city."

Today, all Canadians enjoy the benefits of the two world-renowned educational facilities — Queen's and the Royal Military College — one of Ontario's finest medical health sciences complexes, and major tourist attractions such as Fort Henry, the Thousand Islands, the general ambience of historic Kingston, as well as the military communications and electronics museum which is to be officially opened this Friday at Canadian Forces Base Kingston.

Our community is proud of its cultural heritage and historic achievements. Our sesquicentennial slogan is "150 Years Stronger." I would like to commend the men and women who have worked so hard to organize our birthday party. Please join us in Kingston this weekend at our 150th celebration as a city.

### ENVIRONMENTAL PROTECTION

**Ms Marilyn Churley (Riverdale):** I nearly dropped my morning coffee when I read in the Star over the weekend that the environment minister told a recent conference on smog reduction, "There is not a lot of room for any more government interference in people's lives."

When it comes to pollution prevention, I don't think the minister could be more wrong. I think Ontarians fully

expect our government to get into the business of protecting their health. We expect government to protect the safety of our food and water; why should air be any different? I can't personally think of a more essential role of government than to protect our health and safety.

When that thick brown carpet of smog starts to roll in over the city as summer arrives, I hope Ontarians will call the minister and tell her how much they're dying for some government interference and how it's her responsibility to do something instead of hiding behind Tory ideology as some inane excuse for inaction.

The minister would be well advised to listen. A recent Angus Reid poll found that Canadians are increasingly aware of the links between environmental contamination and human health, and suggests strong support for enforcement of environmental protection policies, especially those relating to water and air pollution.

To quote an Angus Reid spokesperson regarding a recent poll, "Those who believe that Canadians are no longer concerned about environment issues are living in a dream world." I'm personally frightened to think that this dream world includes the Minister of Environment.

### INTERNATIONAL FAMILY DAY

**Mrs Janet Ecker (Durham West):** I rise today to draw the attention of the House to International Family Day, which will be celebrated across the globe tomorrow, May 15. Proclaimed by the United Nations, this is a day to honour and celebrate the family.

I'm sure all members will agree that strong, healthy families are the building blocks for strong, healthy communities, which in turn are the foundation of a prosperous society. Families in the 1990s, however, face many difficult challenges. Raising children, for instance, is a particularly demanding task, especially for families where both parents work outside the home. I'm pleased that our government has been able to take steps to assist parents in this most important task.

We are investing more money in programs for children's nutrition and children's health and in services for children with speech or language disorders. I am particularly pleased that we have been able to provide the highest funding in Ontario's history for child care programs.

In addition, we have also fulfilled our pledge to put more money into the hands of hardworking families through cutting taxes. Families now have a chance to increase their total purchasing power as well as their capacity to save.

Last but not least, we are helping young families purchase a new home through a special refund of up to \$1,700 on the land transfer tax.



Governments have a role to foster thriving families. This government is acting. Tomorrow, let us pay tribute to the importance of our families.

### JOB CREATION

**Mr Gerry Phillips (Scarborough-Agincourt):** I think the most important commitment in the Common Sense Revolution was the one that said, "This plan will create more than 725,000 new jobs over the next five years." The government, as you recall, said this plan would create 145,000 jobs a year, each and every year of the new government.

We've now seen the results of the job creation program, and rather than it being the job-creating engine that was promised, we actually find that the government itself is saying there will be more people out of work three years into the Common Sense Revolution than when the government took office.

**Mr John Gerretsen (Kingston and The Islands):** Shame.

**Mr Phillips:** Those are your own numbers and I think they are, as my colleague said, a shame.

We saw the unemployment numbers come out on Friday. Sure enough, four months into this year we find 34,000 more people out of work in Ontario than at the end of December. These are the government's numbers from the Ministry of Finance; 34,000 more people out of work.

#### *Interjection.*

**Mr Phillips:** You may not hear the heckling at home. He said, "Eight thousand more jobs; 6,000 more people out of work." I think this will be the same of this government: promising 725,000 jobs; delivering more unemployment.

### HAMILTON-WENTWORTH REGIONAL POLICE SERVICE

**Mr David Christopherson (Hamilton Centre):** I'm pleased to rise during Police Week in Ontario to pay tribute to the women and men, both uniformed and civilian, of the Hamilton-Wentworth police service.

Last evening there was an appreciation service where the police acknowledged the importance of partnership with the community as they provide their service to our community. Under the leadership of Chief Bob Middaugh and Deputy Chief Ken Robertson, I believe the Hamilton-Wentworth police service provides an exemplary model of working with communities.

1340

As a former Solicitor General, of course, I take great pride in the outstanding service of all police officers in Ontario, but I think I share a feeling with other solicitors general that one always has a particular soft spot for one's home police service, and I'm no different.

I was there last evening, along with two other members from the government side as well as hundreds of citizens and their families, as awards were presented: partnership award, citation of merit, award of courage, police exemplary service awards, safety patroller of the year, James Elliott safe driving award and the Leonard G. Lawrence award.

We also had an excellent presentation by the Westdale Players. They did a play, *The Safety Show*, which helps kids understand the safety that they need to have when they're on our streets.

I'm very proud to be a part of a community that has a police service such as ours.

### DIANNE WISEMAN

**Mr Dan Newman (Scarborough Centre):** I rise today as the member for Scarborough Centre in order to bring to the attention of this House news of commitment and determination, hard work and goal-setting and news of an effort that stands as an example to every person in Ontario.

Dianne Wiseman, I am pleased to announce, is a constituent of mine in Scarborough Centre and also one of the top female runners in our province and our country. For the past 18 months, Dianne has been training as a student at York University. She has committed herself to becoming the best. She has set high goals for herself, and I am so very pleased to inform this House that she has now achieved a great many of those goals.

Let me tell each of the members in this House that Dianne has recently won gold medals in both the 100-metre and 1500-metre track events at the 1996 University National Championships. She also holds the 1996 Ontario University Provincial Championship silver medal in the 1000-metre event, the silver medal in the 4-by-400-metre relay and the bronze in the 4-by-800-metre relay. It is a pleasure to announce to this House that Dianne has been named York University's female athlete of the year.

But Dianne isn't done just yet, because like all successful people, Dianne has set even higher goals for herself. Dianne is aiming at a spot on the Canadian Olympic Team and has set her sights on success in the international arena.

If the commitment to success that Dianne has shown thus far is any indicator, I am more than confident that she will accomplish these goals as well. Dianne's accomplishments are a testament to what commitment, determination and hard work can bring an individual and they stand as a model for every person in this province. Success comes to those who work towards it.

I'd like to ask every member of this House to join me today in offering congratulations and best wishes for future success to Dianne Wiseman.

### VIDEO LOTTERY TERMINALS

**Mr James J. Bradley (St Catharines):** I find this difficult to believe, as will many members, but the government of Ontario is now introducing the most insidious form of gambling, video gambling machines, in bars across this province, among other places.

They are known as VLTs. They provide instant gratification to those who are addicted to gambling. I asked the minister in the House the other day how he could possibly, after all of his opposition and the opposition of the Premier, embark upon such a policy that would prey upon the most vulnerable and desperate people in our society.



The response of the Treasurer, which was to say that these activities were going on in the province now on an illegal basis and that is why the government would move forward to introduce them legally, made no sense at all. It made no sense because crack cocaine also is being purveyed across this province, but the government isn't getting into the crack cocaine business and dispensing it.

The people who will play these machines will be the people who are the most desperate, people who aren't well connected in our society so that they can get jobs, they don't know the powerful and the privileged people, people who often didn't have the chance to get an education, people who are addicted to gambling.

I ask the government again, how can they possibly justify embarking upon this ill-advised policy which will end up being a tax on the poor, the disadvantaged and the desperate in this province?

#### POLICE SERVICES

**Mr Howard Hampton (Rainy River):** Yesterday I disclosed to the House the existence of the Solicitor General's paper Review of Police Services in Ontario. It's very interesting to read some of the concepts.

First of all, "Selling department products, assets or services: Under this approach, police services could generate revenue through the manufacture and sale of actual products, such as law enforcement or crime prevention training videos."

One asks, what principle is this about? What is going to happen here? Crime prevention, we know, is important. What happens if you don't have the money to pay for the crime prevention service that's going to be operating? Do you do without the service? What happens to women, for example, who are the victims of violence and don't have the money? Do they do without the service? What happens to neighbourhoods where people don't have a lot of money? There are a lot of poorer communities in the province? Do they do without the service?

Another concept: selling advertising rights so the police would endorse so-and-so's product. I wonder what principle is at work here. I thought the primary role of police in our society was to prevent crime and then to do law enforcement, not to endorse someone's commercial product and make it seem as if it were somehow more desirable to society. I really wonder what principle is at work in this concept.

#### PORT PERRY TOWN HALL

**Mr John O'Toole (Durham East):** I rise today in recognition of the new status given a historic building in Port Perry. This past Saturday an official ceremony and unveiling of a plaque commemorating Town Hall 1873 took place in Port Perry. The Historic Sites and Monuments Board of Canada gave special recognition and tribute to Town Hall 1873 as a historic building.

Twenty years ago, a tradition of featuring professional Canadian artists began in the restored town hall. Maureen Forrester, Canada's acclaimed contralto, highlighted the official opening with a gala concert on February 22, 1976. On May 11, 1996, Town Hall 1873 again presented Maureen Forrester to commemorate this very special event.

May 17 is International Museum Day, and museums from across the country and the province are displaying various collections of interest in the Legislative Building. I would encourage members to visit my riding of Durham East, specifically Scugog Shores Museum, Clarke Museum and Bowmanville Museum. I would ask the members of the Legislature to join with me today in recognizing the efforts of communities and museums put into historic buildings and collections to preserve Ontario's heritage.

#### STATEMENTS BY THE MINISTRY AND RESPONSES

##### AGGREGATE AND PETROLEUM INDUSTRY

**Hon Chris Hodgson (Minister of Natural Resources, Northern Development and Mines):** Later today, I will be introducing a bill that will improve the way government regulates the aggregate, petroleum and brine industries in the province of Ontario. The bill proposes amendments to the Petroleum Resources Act and the Aggregate Resources Act that will eliminate red tape and inefficiency, remove barriers to private sector job creation and streamline delivery.

When this new business approach is implemented, the aggregate and petroleum industries will become more responsible for direct program delivery and more accountable for meeting provincial environmental standards. The ministry will concentrate on its core business of policy development, setting and enforcement of standards, and approval of permits and licences. This restructuring is part of the government's plan to provide better services for less cost to the taxpayer.

Amendments to the Aggregate Resources Act will simplify legislation and regulations governing the aggregate sector. The ministry will work with the industry and with other key stakeholders to develop detailed guidelines to be included in new technical standards.

This is similar to the approach taken with the forest industry in the implementation of the Crown Forest Sustainability Act.

The ministry will develop compliance partnerships whereby the industry will be responsible for the day-to-day site inspections and monitoring, while the ministry will concentrate on auditing and enforcement.

Industry will also submit compliance reports and the ministry will verify those reports through targeted auditing. Companies, agencies and individuals will remain liable for their actions.

Revisions to the Petroleum Resources Act will allow the ministry to streamline and simplify the regulations governing the petroleum and brine industries. Operational standards will be developed to provide detailed technical guidelines for those industries. These standards will be similar to the current Canadian Standards Association standard for hydrocarbon storage.

To ensure that the industries comply with Ontario's environmental protection standards, MNR will continue to conduct field inspections. In addition, private inspectors, who will be certified by the ministry, will also play a role in ensuring compliance with standards. The revised



Petroleum Resources Act will also enhance enforcement to include increased fines.

A new trust account funded by the industries will pay for the operation of the geological core and chip library managed by the MNR, ensuring the continuation of this information and research service of the industry and academic institutions.

**Mr David S. Cooke (Windsor-Riverside):** On a point of order, Mr Speaker: I'm looking for the statement the minister is reading. We have a statement from the minister, but it's a different statement. I think the rules say we have to have the statement. We don't have this statement, Mr Minister, and until we do, it shouldn't be continued with.

1350

**Hon Mr Hodgson:** There is a shorter one here that they probably wanted. I can conclude by saying that the amendments to the current statutes —

**The Speaker (Hon Allan K. McLean):** Order. The members have a right to have a copy of the statement you're delivering; the rules indicate that. Does your staff have the statement? Are they delivering it? The Minister of Health has a statement. Perhaps we could proceed with the Minister of Health's statement and then come back to yours later once it's delivered.

**Mrs Lyn McLeod (Leader of the Opposition):** On a point of order, Mr Speaker: I am not sure it is acceptable for the minister to go on with a statement which is unseen. It's not just that the wrong statement was tabled, but we —

**The Speaker:** I have asked the minister to have the statement delivered while the other minister is making his statement.

**Mrs McLeod:** If I may, it seems to be most appropriate if the minister defers his statement until tomorrow, because we simply have not been given any due notice the statement is going to be made. The wrong statement is being made in the House. We're ready to respond to the statement that was provided to us if that's the statement the minister wishes to make.

**The Speaker:** We will proceed with the statement from the Minister of Health and we will iron out that little problem in the meantime.

## MENTAL HEALTH SERVICES

**Hon Jim Wilson (Minister of Health):** I'm pleased to rise in the House today to announce the commitment of \$23.5 million to community-based mental health services. This represents an investment in front-line health services for some of the province's most vulnerable individuals.

Before commenting further about this investment, I'd like to take this opportunity to provide for the House the historical context for today's announcement. Certainly members of all parties will be aware that the road to reforming the mental health system has been a long one. Along the way, mistakes have been made. It is imperative we not repeat those mistakes.

The Heseltine report of 1983 was one of the first documents to take a broad, critical look at the mental health system. Critical to Dr Heseltine's recommendations was the belief that mental health supports and services need to be patient-focused.

In 1991, the Provincial Community Mental Health Committee, under the direction of Mr Robert Graham, developed a framework for the delivery of community mental health services in Ontario. The Graham report of 1988 made a series of recommendations to create a coordinated and integrated system for mental health. The Graham report emphasized the downsizing of institutional care in favour of increased community services.

In keeping with this belief, spending on community-based mental health services began to increase. From 1986-87 to 1989-90, expenditures on community supports increased incrementally from \$55.6 million to \$106.6 million. By 1995-96, expenditures on community programs had reached about \$143 million.

However, these previous investments in supports and services have proven to be inadequate to meet the needs of consumers. Services for people with severe mental illnesses were particularly lacking. Most importantly, increased community funding was not directly linked to changes in institutional mental health programming.

Over the last decade, the downsizing of psychiatric beds has continued. In the 1960s, the provincial bed total was around 14,000. From 1990-91 to 1995-96, the number of beds decreased from 3,713 to 2,920. The shortage of community supports and services and the continued institutional downsizing without clear linkages to alternatives in the community have persisted in our system.

In June 1993, the previous government released its policy framework on mental health reform. In this 10-year plan, the government identified the goals of its reform strategy and recommended targets, including bed closures, to be achieved. At present, we are in year 3 of the reform process initiated by the previous administration.

This review of the province's history of mental health reform demonstrates that regardless of party affiliation, legislators have recognized the shortcomings of the mental health system and have focused our successive reform efforts on its strengths.

It is against this backdrop that I am today announcing the allocation of the community investment fund. The planning process for the community investment fund was initiated by the previous government in December 1994. The community investment fund is a catalyst for important change within the mental health system. It is an upfront investment at the community level in supports and services for people with severe mental illnesses.

The \$23.5-million community investment fund is a critical component of the reform process because it will ensure that community services, such as case management, crisis response, consumer-survivor initiatives and family programs, are in place before any more changes are made to the number of psychiatric hospital beds in the province.

The community investment fund planning exercise has yielded many examples of innovative thinking and integrated program design that are worthy of special mention. About 30 projects located across the province are ready for approval now. More than 150 others will be announced in the coming months.

For example, in Hamilton a unique crisis intervention proposal has been developed. The program teams mental



health providers with the police to provide an outreach service to those who have traditionally not accessed the health system, people such as the homeless and residents of lodging homes. The program's focus is to avoid hospitalization by dealing with problems before they become a crisis.

It is important to emphasize that psychiatric beds will always be a feature of the mental health system. It is for this reason that I have placed a moratorium on the downsizing of provincial psychiatric beds for this fiscal year. This direction represents a commonsense change to the plans set out by the previous government. My ministry will halt any further downsizing until we have allocated the entire \$23.5 million and had the opportunity to see evidence of the success of the new community programs.

This is our government's commitment to ensuring that people with mental illness will be appropriately supported in their communities before any further changes are made to provincial psychiatric bed numbers.

Mental health programs are a priority for the government. Program funding for the community investment fund and all mental health services has been fully protected. Any administrative efficiencies located within the envelope will be reinvested into other mental health programs.

The allocation of the community investment fund will help to ensure that the shift towards community-based services and community-based care is achieved in a planned and sensitive manner for Ontarians with mental illness.

#### AGGREGATE AND PETROLEUM INDUSTRY

**Hon Chris Hodgson (Minister of Natural Resources, Northern Development and Mines):** I apologize to the House. I will read the statement that they were given.

It's my privilege later to introduce the Aggregate and Petroleum Resources Statute Law Amendment Act, 1996, for first reading. This new bill, once passed, will amend four existing statutes: the Aggregate Resources Act, the Petroleum Resources Act, the Mining Act and the Ontario Energy Board Act. These amendments will restructure the ministry's aggregate, petroleum and salt solution mining or brine programs to make industry more accountable for meeting provincial environmental standards.

As the honourable members are aware, our government has pledged to change the way government works by providing better services at a price the taxpayer can afford. We're determined to stimulate economic growth and job creation by eliminating red tape and by removing barriers to investment by the business sector. We will shift more responsibility for direct program delivery to industry, making it more accountable for meeting provincial environmental standards. The Ministry of Natural Resources will then be able to concentrate on its core business of policy development, the setting and enforcement of standards and approvals of permits and licences.

This new approach to the way we do business will remove the complex, detailed legislation and regulations that currently administer the aggregate, petroleum and brine industries. It will put in place new, streamlined

legislation and regulations, backed by detailed technical standards that are understandable and enforceable. These new standards will be developed in consultation with key stakeholders and will be adopted by regulation.

Amendments to the current statutes contained in the Aggregate and Petroleum Resources Statute Law Amendment Act, 1996, which I will introduce later today, will make the aggregate, petroleum and brine industries more accountable for meeting Ontario's environmental standards. As well, these measures are consistent with our government's determination to create jobs, cut red tape and streamline delivery of government services.

I would like to point out to the House that we're honoured to have representatives from the Aggregate Producers' Association of Ontario and the Ontario Petroleum Institute in the gallery today. I want to thank them for coming down.

1400

#### MENTAL HEALTH SERVICES

**Mrs Elinor Caplan (Oriole):** I rise to respond to the statement by the Minister of Health. I guess the concern I have as I look at this is that while his history is correct and there has been tremendous support for a gradual shift from inpatient institutional psychiatric and mental health care to community mental health care, I agree with him that mistakes have been made. The closing of Lakeshore Psychiatric Hospital by a previous Conservative government showed us what not to do, and over the years we have been playing catch-up as a result of that.

However, the concern I have is that this minister says very clearly that all mental health services have been protected. I'm pleased to hear that, because I was told that he was cutting community mental health services by 2% this year, 3% next year, for a total cut of 5%. I'm interpreting this as he is not doing that, and I know that all of the community mental health programs which have been told they are going to have to deal with a 5% cut will be pleased to know they are no longer going to have a 5% cut, that this minister has today announced that he is not cutting community mental health programs by the 2% and 3%.

I'm also concerned because as a result of that 2% and 3% cut, that 5% cut —

*Interjection.*

**Mrs Caplan:** I have the letter, Minister. I'm telling you that in our own community, because of a \$25,000 shortfall, a community psychiatric group home is not going to be able to offer spaces for people who would either be otherwise homeless and on our streets or in institutions. While everyone, I think, would be supportive of knowing that you're not going to be forcing people out of institutions if there are no services for them in the community, that admission is an admission of failure.

We have seen a gradual shift. We know that psychiatric hospitals in this province are under review. Some of them are actually suggested for closing. We have been very concerned about that occurring unless the services are in place.

What you've said today is that you are not going to be pushing people out unless services are available to them



in the community, but I say to you that the announcement that you have made today is not only an admission of failure, it is also a concern because what I see here is a bit of a shell game.

What we've heard from your own ministry is that you're cutting community mental health programs, and what I'm hearing today is that you are investing in front-line services. What I hope is that your announcement is going to see an expansion of community mental health services that are long overdue, that you are not in fact going to be cutting 2% and 3% from community mental health budgets. The fact that you've acknowledged today that you're not doing that will be good news.

I'm also concerned about the elimination of non-profit housing which is providing homes for people who do not have to be institutionalized. I say to the minister, reconsider some of those cuts.

#### AGGREGATE AND PETROLEUM INDUSTRY

**Mr Michael A. Brown (Algoma-Manitoulin):** I was most interested in the announcement, or one of the announcements, by the Minister of Natural Resources, which we take to be one and the same, or we could be wrong.

I think essentially what the minister intends to do here is the Crown Forest Sustainability Act, only for aggregate. Well, I think the minister would want to know that we are not in favour of deregulation but we will support a reregulation in this area. But when you were over on this side, I think — and you must continue to share this view, and that is, what you've actually announced today, and when we see the act, it will be pretty much a shell defined mostly by the regulations and the manuals that accompany it.

We are not prepared as a political party, as Liberals, to proceed with this bill until we see the regulations and the manuals. You would not proceed on the Crown Forest Sustainability Act on the basis of the shell of legislation we were given for that. You will not proceed with this one without regulations and manuals, because we have a sneaking suspicion that this is not about reregulation; it is about total deregulation.

I just had a call in my office here at Queen's Park from a person in Ontario from the county of Perth who was most upset with aggregate extraction that was diminishing the value of his property. You know and I know that is not unusual all over Ontario. You know and I know some of these instances are unacceptable and need to be resolved. If your new regulations will do that, if your new manuals will do that, we would support it, but I think, because you've cut MNR staff, you intend to deregulate the industry.

#### MENTAL HEALTH SERVICES

**Mr Floyd Laughren (Nickel Belt):** I want to respond to the announcement by the Minister of Health and to indicate that we welcome this announcement today. Surely there are times when we all together recognize that the most vulnerable people in our society need protection, and I welcome both the announcement of the extra money going in and of the moratorium, because I

think that does give a breathing space to make sure that we're moving not too hastily in this area and that there are going to be facilities in the community before the downsizing goes any further in the hospital system.

As well, I appreciated the acknowledgement of the minister that other governments had played a role in this process and that there are issues which should not be unduly partisan. If I could convince the minister to carry that same philosophy into the appointments to the health councils of the province, I would consider that I had achieved something major in the life of public policy in this province.

I also hope the minister is able to stand back and take a look as the hospital restructuring goes on — and we support the whole principle of hospital restructuring — but I hope he's able to stand back and make sure that as that restructuring and downsizing and deinstitutionalizing goes on in the hospital system the community-based services are there as well and to carry forth the principles that he has acknowledged are important in this regard for the psychiatric part of the health care system, that the same will apply for the hospital system.

Other than those short few comments, I want to indicate that we welcome this announcement today.

#### AGGREGATE AND PETROLEUM INDUSTRY

**Ms Shelley Martel (Sudbury East):** Let me begin by saying to the minister that the second statement was probably not much better than the first with respect to what the implications are in this province for environmental protection and for the government's role in ensuring that the practices we use to extract natural resources in the province, whether they be aggregate resources or forestry, are practices that are environmentally sound and can stand the test in the outside community in which we hope to sell the products of those very resources.

My concern with the announcement today is that it really demonstrates that this government, this minister and his colleague the Minister of Environment care less and less about sound environmental practices in this province and are more and more willing to offload those on to the big companies in the province without any assurance that at the end of the day this province will have any credibility when it comes to assuring everyone we want to sell to that the very practices we are using to extract resources and then to sell them abroad are sustainable ones.

The minister is correct when he says that this statement very closely parallels the one he made with respect to the Crown Forest Sustainability Act. He said at that time, talking about the responsibilities the MNR is transferring to clients and partners, that:

"The MNR plans to transfer a number of responsibilities, along with the cost, to clients and partners. These will be activities more appropriate for the private sector or others to assume. They include in that case forest operations, including harvesting, renewal, funding for renewal, collection, operational science, assessing reporting and self-compliance."

Minister, the problem we have is that we have a number of examples in the forestry industry where when



you leave forestry companies to self-comply, it is very clear, and it has been demonstrated by consultants hired by your own ministry, that people are more interested in making a fast buck, a quick profit, than they are in ensuring that the practices they use are going to guarantee sustainability of those resources and use of them for future generations.

We saw that in the forestry industry, and my fear, Minister, is as you move to self-compliance and allow the industry to look after itself, you are then going to see those examples in the aggregate industry, because whether we like it or not, there are always bad players in every industry.

The second thing that's clear from the statement is that it's going to be absolutely impossible for this government to monitor anything that's happening now in the aggregate industry. The fact of the matter is you are laying off 2,100 people at your ministry; almost half of the full-time equivalents are being lost at your ministry. Those are people who are supposed to be involved in the protection and the monitoring of natural resources in this province, resources which belong to all of the people in the province. With the massive layoffs that are coming, none of those people are going to be able to do that on our behalf.

1410

## ORAL QUESTIONS

### LAW ENFORCEMENT

**Mrs Lyn McLeod (Leader of the Opposition):** My first question is for the Premier. Premier, during the election campaign you made a firm and absolute commitment that you would not cut the funding for law enforcement, but the April 1996 business plan for the Ministry of the Attorney General showed a \$33-million cut. So you broke your commitment right then.

You told the people of Ontario, "That's it; there are not going to be any more cuts in our budget." Then we look at last week's budget and we see that the \$33-million cut in the budget of the Ministry of the Attorney General has ballooned to \$116 million.

You have broken your commitment not to cut spending on law enforcement, not only once but twice. After stating that your government was going to fight crime, that this was one of the areas where there would be no cuts, why are you requiring your Attorney General to cut an additional \$116 million from his budget?

**Hon Michael D. Harris (Premier):** First of all, the Attorney General is not required to cut anything from his budget, but if, through streamlining, through better management practices, he's able to save some dollars — and these plans have come forward from the ministries themselves — then what would you suggest we do? Carry on wasting them, like you did with the Liberals? "No, no, no." Carry on wasting the money, like you did with the NDP? If you can efficiently deliver first-class, quality services from the Ministry of the Attorney General, and I might say the same with the Solicitor General, then we're very interested in looking at that.

In the campaign, we committed and we said: "Law and order is a priority with us. Policing issues are a priority. Prosecuting crimes is a priority with us." Surely you would not expect, if there are more efficient ways to get a bigger bang for the buck, to prosecute more criminals, to fight more crime, that we ought not to pursue those alternatives. That's what we campaigned on and that's what we're doing.

**Mrs McLeod:** Premier, I'm sorry, but I don't believe, and I don't think anybody in this province believes, that you can slash \$116 million from the budget of the Attorney General and not have a significant and a detrimental effect in your ability as a government to fight crime. You have broken your commitment on law enforcement. You had said this was an area that was untouchable, and you haven't just touched it, you've taken an axe to it.

This was your promise, a promise that you would not touch law enforcement. Tell us exactly how you expect your Attorney General to slash \$116 million from his budget and not gut law enforcement.

**Hon Mr Harris:** My commitment to the people of Ontario was that law enforcement would be a priority. We said we would seek efficient ways to accomplish this. In *New Directions*, Volume Three, which we put out, we pointed out all kinds — you said we promised not to touch it. We promised to touch it; we promised to improve it; we promised to make it better; we promised to set new priorities.

Quite frankly, when you throw numbers around, you're not to be believed. Your numbers are all wrong. Your numbers have never proven to stand up. You've accused the Attorney General of so many things, all of which proved to be false. You campaign on false numbers. You bring forth false numbers. You're not to be trusted. You're not to be believed. I don't know why anybody would have any credibility in anything you say.

**Mrs McLeod:** Premier, I'd be very pleased if you would clarify the situation for me. Tell me which statement is wrong. It says here in your campaign document, "Our plan guarantees full funding for law enforcement," and it says here in your budget that law enforcement, the operating budget of the Attorney General, is to go from \$753 million to \$637 million. These are your figures. I'm not making this up; it's your budget. Is your budget not telling us the truth? Is your budget not credible?

Where do you expect the Attorney General to find \$116 million, without gutting law enforcement? How is that providing full funding for law enforcement, according to your campaign document?

He's going to do it by letting car thieves and break-and-enters get under the bar so they're never charged. Tell him he can't do that. Tell him where you think he can find \$116 million.

**Hon Mr Harris:** The Ministry of the Attorney General is making suggestions to the Attorney General on how they can do more with less, on how they can actually do a better job with less.

You're talking about my commitments in the campaign. In the campaign, during a campaign event, I went to a police station to show where there was duplication and where we could cut dollars. We promised to find



savings; we promised to change the way the system was being delivered. I don't know what you were doing that campaign day, but obviously not much, and you weren't paying attention to what we were saying in our campaign.

### POLICE SERVICES

**Mr Mike Colle (Oakwood):** The question is to the Solicitor General. Minister, the Metro Toronto Police Force is about to impose a \$70 user fee on every burglar alarm call that is taken by the police. Is this \$70 fee not part of a privatization program, an offloading of general police duties on to the private sector? Isn't this a new tax on policing services in Metro?

**Hon Bob Runciman (Solicitor General and Minister of Correctional Services):** I'm not aware that Metro has approved that. I understand — I was listening to the news clips this morning — that it's being recommended by a variety of officials.

Certainly we have a view with respect to the costs associated with false alarms. I think it's a problem right across this province, but it's perhaps a more significant one in terms of cost to Metro, being the largest jurisdiction.

The overwhelming number of alarms that police respond to are false alarms and I think there is a responsibility that should be placed upon the owner of the alarm system with respect to recurring false alarms which take police away from their real responsibilities. I think there is room here for some kind of provision to ensure that people maintain their alarm systems, make sure they have the best possible technology so that our police resources are not being wasted.

**Mr Colle:** This \$70 fee which has been approved by the police services board is on all alarms. Do you agree that this is a good, new approach to take in policing, user fees on people who have break-ins?

I ask you to note that the president of Alarm Force, a private company appearing before the Metro human services board yesterday said, "It's almost a suicidal decision to impose this fee." Mr Joel Matlin says: "There will be a displacement of police enforcement to the private sector because people won't pay the 70 bucks. They'll take the cheap cut rate of 25 bucks and go to their local security office to do it."

Is this not privatization, offloading, forgetting about the importance of break-and-enter in homes and businesses across Metro? Are you looking away from the problems that people in Metro are having with crime?

**Hon Mr Runciman:** I haven't heard the arguments on the side of implementing a fee based on every alarm received. I've certainly heard concerns expressed across the province on repeat false alarms. I share your concern with respect to a fee for an initial alarm. That may not be appropriate, but it's not something that's been brought forward. We will take a look at it.

**Mr Colle:** The other question deals with your constant referral in your white paper on reviewing police services to volunteerism and amateur police, workfare people doing security. Are you really telling us that you, as Solicitor General, are encouraging, for instance, Guardian Angel types to take over policing in neighbourhoods and

high crime areas across this province? Do you support that movement towards these Guardian Angel types across Ontario?

**Hon Mr Runciman:** I'm encouraging a review of policing which hasn't taken place in this province for 25 years. We know that policing faces very major, significant challenges as we enter the next century. We're trying to address that. We're facing up to the challenges, unlike the two previous governments.

1420

### EMPLOYMENT STANDARDS LEGISLATION

**Mr David Christopherson (Hamilton Centre):** My question is to the Premier regarding his government's latest attack on the working women and men of this province. After ramming through your anti-worker Bill 7, which entirely replaced the existing Ontario Labour Relations Act, and then refusing any public consultation on reforms to the WCB, which are currently under way, you're now at it again.

Last week your Minister of Labour met with Ontario labour leaders and told them two things: first, that there would be full consultation on the broader changes to the Employment Standards Act; and second, that the amendments introduced yesterday would be strictly housekeeping and clarification.

Then came the surprise, where your amendments take away rights from both union and non-union workers. Premier, why would your government announce full consultation on an extensive review of the Employment Standards Act and then launch your surprise attack on the rights of workers as you did yesterday?

**Hon Michael D. Harris (Premier):** I'm pleased to respond to the question. The Minister of Labour is not here today but I am informed that she met recently with Gord Wilson, as she does meet regularly with labour leaders across the province, and she indicated two things: that there would be a bill introduced very shortly making some modifications, and that this bill would be available for review, input and discussion; as well, she indicated there would be broader discussion, as the member has indicated, and broader changes before any further changes are introduced this fall, and that there would be ongoing discussions on those broader measures.

I believe that some of the changes introduced are very consistent with what other NDP governments have been doing across the country; some housekeeping was indicated — that they would be done. As well, there will be broader consultation, and we're very interested in working with union leaders across the province as we work on that.

**Mr Christopherson:** I spoke this morning to Gord Wilson, the president of the Ontario Federation of Labour, who was also on CBC Newsworld just within the last hour, where he said he has never sat down with an Ontario labour minister before and been intentionally misled. Those are his words. The CLC today, at their convention in British Columbia, will take on the issue of the integrity of this government in terms of the relationship you have with labour leaders.

Premier, you suggest that these are nothing other than housekeeping and clarification, but I see you shaking



your head. Maybe I need to hear from you exactly what you think the changes were that your minister told Gord Wilson and others were merely housekeeping and clarification. Quite frankly, they're not. They take away rights that workers have in this province, and your minister did not tell them that was happening.

Premier, I ask you again, will you please tell us why you say there'll be broad consultations on a full review and then launch a surprise attack on the labour movement, on the rights they have in this province?

**Hon Mr Harris:** I didn't say they were all housekeeping. I said some are housekeeping and others are some changes that have been brought in in other jurisdictions. For example, in British Columbia the NDP government gave workplace parties with collective agreements more flexibility if they were to come to an agreement, provided whatever they agreed to did not violate employment standards.

Something similar is being proposed here in Ontario. It will give more flexibility to unions, employers and workers in the province. Other amendments permit electronic filing of complaints. It seems to be pretty well housekeeping, given the changes that are there. It's consumer-friendly; it expedites the process. Some are housekeeping and some are changes to try to give a little more flexibility in the process.

I think when labour leaders take a look at the changes — certainly they're welcome to have input and suggest any amendments if they think there's a little fine-tuning required — they'll find that, other than the normal rhetoric they tend to want to engage in, this is quite progressive and catching up perhaps with some other jurisdictions and some good interim steps while a broader review takes place.

**Mr Christopherson:** That doesn't square with the viewpoint from the Ontario Federation of Labour, given that, contrary to your suggestion that all they do is spew rhetoric, they were quite prepared to accept the fact that there would be amendments introduced yesterday that would be housekeeping and clarifications. That's not the case as they see it.

Premier, I ask you, unless you're deliberately trying to pick another fight with the labour movement, will you agree today to withdraw the bill and the amendments introduced yesterday and incorporate them into the broader review, or at the very least, will you commit to province-wide public hearings on these changes? If you disagree with those, the labour movement will have no choice but to believe you are deliberately trying to pick another war with them.

**Hon Mr Harris:** The labour movement should know that we're interested in working with them in a very cooperative way to achieve the goals we have to balance the budget — the \$11-billion mess that you left us — to restore balance in the management-worker relationships, to restore jobs to this great province of Ontario and bring some hope and opportunity to people. We're very interested in doing this and pursuing these goals, both in consultation on this bill — as the minister indicated, it's a two-step process — and in broader consultation on more significant changes that we think are required before the end of the year.

**Mr Len Wood (Cochrane North):** You're going to pick a fight with the labour people in this province. Pick a fight, Mike; that's all you want.

**The Speaker (Hon Allan K. McLean):** The member for Cochrane North is out of order.

**Mr Len Wood:** Pick a fight with the workers in this province.

**The Speaker:** Order. I won't warn the member again. Take your seat.

**Hon Mr Harris:** When you embarrass Peter Kormos, that's saying something, I want to say to the member.

The other comment is, do I look at public rhetoric and statements made and have confidence in those as expressed by Mr Wilson or confidence in the Minister of Labour? I can tell you with a 100% clear conscience, I go with the Minister of Labour.

1430

#### DISCLOSURE OF PHYSICIAN INFORMATION

**Mr Floyd Laughren (Nickel Belt):** I have a question for the Minister of Health, who knows, I believe, of an American marketing company called IMS that compiles profiles of doctors' prescriptions from pharmacies, and in turn they sell this information back to pharmaceutical companies which then use that information to market their particular drugs to individual doctors.

IMS, the company involved, claims to have for sale information on 80% of Canadian doctors. We've obtained some promotional material that reads, "Wouldn't you like to know who those doctors are?" as it shows the number of doctors and the drugs that are being prescribed. The material goes on to say things such as, "Find Rx" — the formula they use — "is quite simply everything you need to know about Canadian physicians in order to maximize your sales and market share, and Find Rx is profiling based on the ongoing tracking of actual prescriptions as generated by the acknowledged leader in pharmaceutical market information, IMS Canada." This information, Minister, is collected by IMS without the consent of doctors, and of course for a profit.

Can the minister tell us how is it that IMS does this, how patients' names are removed from the prescription sheet, and do you support this kind of activity by this American company?

**Hon Jim Wilson (Minister of Health):** I thank the honourable member for the question. I should say for the record I too have asked the college to respond to the Globe and Mail article of May 9. That's the first I heard of it in the Ministry of Health so we don't get off on a track here that the honourable member might be pursuing that has nothing to do with this at this time.

As you know, it was your government that brought in the Regulated Health Professions Act and the College of Pharmacists self-regulated profession. We've asked them to work this out with the OMA and the College of Physicians and Surgeons and hopefully, between physicians and pharmacists, respecting their self-regulation, they will be able to settle this issue. Right now the Ministry of Health is not involved in this issue at all.

**Mr Laughren:** You should be, Minister. This is a breach of doctor confidentiality. That has been proven.



IMS states it themselves in their promotional material and they claim that it does affect prescription patterns. That's why they want to sell the information back to the drug companies. This is manipulation of doctors' prescriptions, plain and simple, and you promised during the debate on Bill 26 that you would work with the privacy commissioner to introduce legislation that would protect the privacy of health care information.

As far as your saying that you don't have a role in this and the Ministry of Health doesn't have a role in this, let me tell you what the Minister of Health in British Columbia had to say about this when they banned the sale of prescribing profiles in March. As soon as he learned about it he said:

"This is an outrageous breach of physician confidentiality that has the potential to greatly affect prescription patterns. It's an exploitive practice that has everything to do with fuelling profit margins for drug companies and nothing to do with public health and safety."

Minister, what are you waiting for? You have the authority under the Regulated Health Professions Act to intervene. Why don't you do it now?

**Hon Mr Wilson:** Again, I think the comparison to British Columbia is a little unfair. This province has a little more experience with respect to self-regulation and our Regulated Health Professions Act, which actually the member's party can take credit for, is one of the toughest and best in the world, and other provinces like British Columbia are following that.

You can't have it both ways. You can't say you're self-regulating with respect to these matters. Remember, all of the members of the college, whether they're appointed by your government or our government, have to take off their pharmacist hat, have to take off their physician hat, and they are there to serve the public good. That is the bottom line, and I am assured by the college that it is reviewing this matter and that it is going to try to work it out with the physicians.

I'm also assured that the patients' names are in no way contained in this exchange of information between some pharmacists and IMS. If the patients' names were involved, I would be very concerned. Right now they're not. It's commercial property and we're waiting for a recommendation from the College of Pharmacists to see how they want us to handle this matter respecting their role as self-regulators.

**Mr Laughren:** I can perhaps short-circuit the process a little bit. The College of Pharmacists will tell you they're quite happy with this. They make big bucks out of this; their members do. I can tell you that they're not opposed to it, but the Ontario Medical Association is. They had this to say about it: "Prescriptions are confidential and should be accessible to only those parties involved in their dispensing and payment."

If I could just enlarge on that for a moment, a prescription should be between the doctor, the patient and the dispenser — nobody else — and now it's being made available to drug companies, American drug companies, strictly for profit-making; no other reason whatsoever but to promote their own drugs. This is fundamentally wrong, and for you to stand in your place and say, "No, I have transferred and that responsibility lies with the College of

Pharmacists," is wrong, dead wrong. I hope you will reconsider your response because you should not be abdicating your responsibility. You obviously have the authority to intervene. Why don't you simply stand in your place today and say, "That is fundamentally wrong and I will issue a directive accordingly?"

**Hon Mr Wilson:** At this point in time, I am confident the college is looking at this matter. The May 9 article in the *Globe and Mail*, for example, quoted the registrar of the college as first of all taking this matter seriously, contrary to what the honourable member has just suggested. Secondly, the college has asked for some time to perhaps improve the code of ethics it has which right now prohibits the release of confidential patient information. Thirdly, they've asked for some time to define what they call the public benefit. If there is no public benefit to this exchange of information, then the college will act, and I will certainly act upon recommendations from the college. This is a matter they can deal with, though, within the scope of the Regulated Health Professions Act and within their jurisdiction as a self-regulated college.

#### GASOLINE PRICES

**Mr Sean G. Conway (Renfrew North):** My question is to the Minister of Environment and Energy. In recent weeks, gasoline prices in this province and country have shot up dramatically. In Ontario in the last number of weeks, gasoline prices have increased in the order of 15%, injecting a serious dose of inflation into the economy. As the Minister of Energy for Ontario, what are you prepared to do to protect the consuming public from this kind of gasoline price increase?

**Hon Brenda Elliott (Minister of Environment and Energy):** First of all, I would like to make clear what we believe the role of the Minister of Energy is in a situation like this. My job is to make sure there is a steady and reliable source of energy for the province of Ontario, whether it be gasoline, electricity, natural gas or whatever.

We make sure, as a matter of course, that we monitor the gasoline prices and provide a database of information should there be a concern. There has been a concern expressed right across this province — indeed beyond this province; across Canada and into the United States — about the price of gasoline. If it is brought to our attention that there is illegal activity with regard to the price-setting of gasoline, that then becomes a regulatory issue which is taken care of through the Ministry of Consumer and Commercial Relations and hence the federal government as well.

I'm sure that my honourable colleague across the way will know that today the federal minister has indicated that the federal government is going to undertake a review to make sure that nothing illegal is occurring and that price-setting is occurring correctly.

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**Mr Conway:** You're just going to sit on your political posterior and do nothing. That's not good enough. There are 11 million people in this province who expect you and the provincial government to do something. Why don't you pretend the oil companies are welfare cases, pretend for a minute that the big oil companies doing



business in Ontario are welfare cases and then unleash the hammers of hell on them? Because if it's poor people, young people, old people, disabled people, the Harris Tories are willing to go to battle. But if it's the sons and daughters of John D. Rockefeller, you're prepared to do not a damn thing.

*Interjections.*

**The Speaker (Hon Allan K. McLean):** Order. Would the member put his question.

**Mr Conway:** If you're not in the pockets of big oil, will —

*Interjections.*

**The Speaker:** Order. Member.

**Mr Conway:** If you and your colleagues in the Harris government are not in the pockets of big oil, will you, before this weekend, call the executives from big oil doing business in Ontario into your office and tell them that the kind of price-gouging and price-fixing that is picking the pockets of Ontario consumers and Ontario business must stop.

**Hon Mrs Elliott:** If the honourable member across the way has any evidence to indicate that is occurring, I do hope he will have the courtesy to share that with the government and hence pass that on to Minister Manley.

*Interjections.*

**The Speaker:** Order. I can't hear the member's answer. Could we have some order. Minister?

**Hon Mrs Elliott:** If the member across the way is indicating that perhaps the Ontario government should look into regulating the industry, I can only say to him that in most jurisdictions where regulation has occurred, prices in fact have risen. In Nova Scotia, where deregulation occurred, the prices in fact dropped. This is a worldwide commodity that has fluctuations. Our understanding is that it is coming as a result of a long and difficult winter with higher than expected energy consumption.

*Interjections.*

**The Speaker:** I can't hear the minister. Would you wrap up your answer, please.

**Hon Mrs Elliott:** Having said that, this is being looked into by the federal minister, as the appropriate body, and it will be looked at carefully.

## FOREST FIREFIGHTING

**Ms Shelley Martel (Sudbury East):** I have a question for the Minister of Natural Resources. On April 12, we received a document from you entitled Facilities Operation Impact and it listed those MNR facilities to be kept open, to be closed or to be restructured as a result of the downsizing of the public service announced by the Chair of Management Board.

I noted with interest that 17 of the 19 fire bases in the province are to be closed and I also noted with interest that the two to be kept open are in the riding of the finance minister and in your own riding. I wonder, Minister, in light of the terrible fire season we experienced in northern Ontario last year, why you would close the bases in northern Ontario and keep two open, both south of the French River.

**Hon Chris Hodgson (Minister of Natural Resources, Northern Development and Mines):** I think, as the

honourable member across the way knows, because her office phoned our office, the MNR sent over the corrected version. There are 45 offices, 17 of which will be closed. The ones that remain open remain open because of the function. If you look on a map, it's based on the service area. There's one in Pembroke as well that services the southern end.

**Ms Martel:** The 45 facilities are a mix of fire bases, labs, regional offices, as well as of work centres, fish culture stations, tree nurseries etc. The list we have that talks about fire bases as noted here shows 17 of those closing.

The second point I want to make is that the minister will know, if he talks to anyone who fights fires, that the best way to deal with a forest fire is to have a quick response. He will now put us in the situation in Atikokan, for example, because he is closing the base at Nym Lake, that forest firefighters from Fort Frances will have to wait for a helicopter to come to Fort Frances to fly them over an hour away to Atikokan to try to fight a forest fire.

Minister, the closure of these centres is putting both people and private and public property at risk, especially in northern Ontario. I ask you again, why are you keeping two fire bases open south of the French River and closing the ones in northern Ontario?

**Hon Mr Hodgson:** The honourable member knows full well that firefighting's done in two regions throughout the whole province. In southern Ontario, which she refers to, there are a number of fire stations. They're based on a function, the same as the ones that have remained open in northern Ontario, the function of servicing fires.

We no longer sit in towers to monitor when fires start. We have improvements in technology that detect lightning storms from the night before. There are aircraft that patrol the skies to identify — early warning systems on potential fires. It's cheaper to service —

**Mr Len Wood (Cochrane North):** Tell him to tell the truth.

**The Speaker (Hon Allan K. McLean):** Order. I've warned the member for Cochrane North, and I can't warn him again. Minister.

**Hon Mr Hodgson:** I'm done.

## TUBERCULOSIS TESTING

**Mr John Hastings (Etobicoke-Rexdale):** I have a question for the Minister of Health. Many of my constituents in Etobicoke-Rexdale are extremely concerned about the continuation and future of tuberculosis testing in our schools.

I'm pleased to know that ministry officials met at my request with the Etobicoke board of health to discuss this situation. I would like to know from the minister what he could disclose to this House in terms of his ministry's suggestions for the continuation of tuberculosis testing for students in our schools.

**Hon Jim Wilson (Minister of Health):** I'd like to thank my colleague the member for Etobicoke-Rexdale for the question and for bringing this matter to my attention a few days ago. As he indicated in his question, ministry staff did meet with the Etobicoke board of health on May 8. The board is concerned about the efficiency of



the program they're running. They're concerned about patients' compliance with respect to following up the recommendations after a positive test to make sure they're taking their drugs and prescriptions, and generally the efficiency of the program.

The ministry staff has made some suggestions, and we've had some wonderful local suggestions also that perhaps the Etobicoke board of health could get together to jointly deliver the program with the Etobicoke Board of Education and local physicians.

It's my understanding that the medical officer of health in Etobicoke will be holding a public meeting to discuss a wide range of possible solutions to this problem on May 16. I would remind all members that tuberculosis testing is a mandatory program of boards of health, so we have to find a solution to this serious problem.

**Mr Hastings:** I thank the Minister of Health for that response. I wonder if he could give us his specific thinking in terms of what some of the outcomes could be with respect to his ministry's suggestions for the continuation of tuberculosis testing for Etobicoke school students.

**Hon Mr Wilson:** I know a number of members of the community in the honourable member's riding are very concerned about this issue, particularly when you have a large influx of people coming from other countries or people who spend a great deal of time in other countries coming back to Canada. Again, it is a mandatory program of boards of health across Ontario. I know the Etobicoke board of health is working on solutions. I think it's appropriate for my colleague the member for Etobicoke-Rexdale and I to wait before making any final decisions or pronouncements until after the public meeting on May 16, because there may be some very good suggestions coming from the public and from local health officials. Perhaps we won't have to intervene at all and they'll sort this out.

#### OMA AGREEMENT

**Mrs Elinor Caplan (Oriole):** My question is for the Premier. I'm going to ask you today, Premier, to admit that your words and the deeds of your Minister of Health are threatening to dismantle medicare.

This morning, the Ontario Medical Association held a press conference here at Queen's Park. Effectively, what they have said is that your government has been dealing in bad faith. They have admitted that there are no negotiations, contrary to your own words. You scrapped their agreement in Bill 26. You dismantled the joint management committee.

I'm asking you today if you will apologize for your words of a week ago and direct your Minister of Health to begin negotiations to establish a forum such as the joint management committee and to ensure that the doctors of this province feel that they are partners in health care. Will you stand today and direct your Minister of Health and apologize to the doctors of this province for your own words?

**Hon Michael D. Harris (Premier):** I appreciate the opportunity to respond to some of the statements that were made earlier today by the OMA, the union representing the doctors. First of all, in my discussions with

the president of the OMA and with the doctors I have talked to all across the province, they tell me that in 10 short months the current Minister of Health has proven himself to be superior to any Minister of Health we've had in the history of the province of Ontario over the last 10 years. They appreciate a government that sticks to its word, that does what it says it's going to do.

As a matter of fact, I was in Sick Kids Hospital today just before question period, and ran into —

*Interjections.*

**The Speaker (Hon Allan K. McLean):** Order.  
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**Hon Mr Harris:** I was saying that I was at Sick Kids Hospital today visiting a patient from North Bay, but I ran into some staff and a couple of doctors. They shook my hand; they said, "Keep up the good work. We appreciate what you're doing," comments like, "We understand the disaster of the Liberals and the NDP and the disgrace that they left this health care system in, the lack of trust." Many of them tell me, "You know, I remember the day when 10,000 of us demonstrated on the lawns at Queen's Park against the Liberal government of the time." So I say to the member, congratulations to the Minister of Health —

**The Speaker:** The question has been answered.

**Mrs Caplan:** I listened very carefully to what the Premier had to say and what I heard is the rhetoric that is going to lead to the dismantling of health care in Ontario as we know it. The doctors in this province have always been important partners, and to talk about them with this kind of disrespect I think threatens our publicly funded universal health care in the province of Ontario.

I've asked you, Premier, if you will retract your words that the doctors are trying to break the agreement that you scrapped and if you will begin meaningful, good-faith negotiations. The only way you are going to protect health care in Ontario is if you sit down and discuss and negotiate.

Now, your minister has said, "We're discussing," but we know there are no negotiations moving ahead for an agreement. I can tell you, sir, that we are seeing thresholds arbitrarily imposed. Doctors' incomes are being severely threatened, they are leaving in unprecedented numbers, and there are demands for more user fees and private funding.

I want you to hear clearly that I support a universally acceptable, publicly funded health system. What you are doing, sir, is beginning to dismantle medicare through your user fees and your treatment of Ontario's doctors and health professionals by refusing to negotiate.

Will you direct your Minister of Health to establish a forum and begin negotiations to protect our universal, publicly funded health care in Ontario and stop the rhetoric?

**Hon Mr Harris:** I am astounded that a former Minister of Health, one of those who led to uncertainty when doctors did leave in unprecedented numbers, when 10,000 of them demonstrated right here when her party was in power — this was a minister, I don't know if you recall, who promised new beds and shut more down, maybe not quite as many as the NDP did but she shut down beds. She promised a new hospital for North Bay, went back on her word and cancelled it.



This was a minister who betrayed the doctors, betrayed the people of Ontario, betrayed those in the health care field, betrayed the nurses, and she has the nerve to stand in her place and say that in 10 months, through negotiations, through the efforts of the Minister of Health, we haven't solved all the problems yet. You're right. The mess was bigger over the last 10 years, mostly, I might say, caused by the Liberals.

At least the New Democratic Party, in the last couple of years, started on the path to correct the abysmal record of the Liberal Party. I want to acknowledge that and I want to give them some credit for that, because when I tell you that doctors have told me — and we are in negotiations with them at every step of the way — “Your Minister of Health is far and away the best in the last 10 years” —

**The Speaker:** The question has been answered.

### HEALTH CARE FUNDING

**Mr Floyd Laughren (Nickel Belt):** I have a question about our health care system too, but I'm not going to ask the Premier. He's done this party enough damage already today.

I have a question to the Minister of Health, following up on the question of the member for Oriole. The OMA did have a press conference today, attended by some other organizations as well, in which they expressed grave concerns about how you're managing our health care system. This comes on top of a release a couple of weeks ago by the Ontario Nurses' Association that indicated that more than 80% of its members feel that patients are in unsafe conditions the way you're managing the health care system, and also follows a report by the College of Family Physicians which indicated they were having trouble accessing health care services as well.

Last week Ian Warrack, the president of the OMA, said of the government's budget: “Contrary to its claim, government has not reinvested all of the money it is going to remove from the health care system over the next three years. They are taking more than \$2 billion out of the health care system over the next three years, yet are still underfunding the new programs they have announced.”

What they're worried about — and they used the example of funding for an MRI and then the doctors not being able to access the imaging from that because it's not in their budgets.

I'd ask the Minister of Health, when are we going to find out from you — and I thought that what he did today on the psychiatric services was a good model — where it is that you're going to reinvest that \$2 billion you've already announced you're taking out of the health care system — \$1.3 billion in the hospital system? When are you going to announce the details of how that's going to be reinvested in the health care system so that there can be some confidence restored to our health care system in this province?

**Hon Jim Wilson (Minister of Health):** The honourable member is not correct to say that we haven't reinvested the money back in the system. In fact, we have reinvested more money in the system than we've seen in

savings in the system or restructuring the system. That is a fact confirmed by the finance minister just last week.

In respect to the example of MRIs, I find it very interesting that the doctors used this, because it simply misses a number of facts. Our MRIs are running overtime, with physician fees and other fees, in Toronto right now. What we've said in the MRIs is that we are spending a great deal of money — and a member from the north will know this — moving the patients down to the machines. What we've done is move the machines up to where the patients are, saving money in the process and cutting down the overtime hours in Toronto.

We've asked those MRIs to now go down to about 40 hours a week because those extra hours in physician fees and everything are moving up to your community, and Sudbury and Timmins and a whole pile of other places that we've already announced. We think actually there might be some savings in the system.

There are pressures on the physician budget; I admit that. But \$3.805 billion is 18.5% per person per capita above the national average on physician fees that Ontario spends. We spend more than the national average by 18.5%. We also spend more on health care than anyone else in Canada. Frankly, you add the \$17.7 billion now being spent by the Ministry of Health and the \$9.2 billion being spent by the private sector on health care in this province and you're going to have a very difficult time finding any other jurisdiction in the world that spends more on health care per capita than this province. I think we all agree, and we've agreed the five years that I was critic, we spend enough money on health care; some would argue more than enough money.

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What we're doing with the physicians right now is we are having discussions. We suggested that we set up a joint liaison committee. That's been on the table for 10 months. We didn't dissolve the JMC, the joint management committee, as one doctor suggested today. They walked out on you in February of last year; that's when the JMC dissolved. The government didn't do it; the OMA walked out. There are a number of inaccuracies that need to be corrected.

**The Speaker (Hon Allan K. McLean):** The question has been answered. Supplementary?

**Mr Tony Martin (Sault Ste Marie):** Minister, one of the people at the OMA press conference this morning was a doctor named Janice Willet from Sault Ste Marie. She's the president of the West Algoma Academy of Medicine. She's also an obstetrician who's been writing to you for the last few months. She says that you're creating a crisis in our community and that five out of six obstetricians are not taking any new patients. She also says there's a waiting list of over 2,000 people for a family doctor.

You are the government that was going to come in and clean all this up. When are you going to stop creating the crisis and start doing something constructive in my community and across this province to answer some of the problems we're facing?

**Hon Mr Wilson:** I reiterate that the \$3.805 billion is the fully preserved physicians' budget. A number of physicians think that midwives and everything else are in



that pool too. That's strictly the physician fees. We spend about \$4.3 billion on OHIP services for chiropractors and other health professionals. The fact of the matter is, we're simply asking physicians, and we're doing that through discussions with them on a regular basis, to help us examine the cost-effectiveness of the \$3.805 billion, and I think all parties agree with that. We're asking all our partners across government.

Mr McLean and Joe Tascona and I met with the Simcoe county physicians last Friday and they said, "We know we do a lot of things we shouldn't do." They said in this press conference this morning that the population has gone up by 700,000 people. The fact is, from 1984 to 1994 the population in the province grew about 10%; the number of doctors increased by 40%. There are more than enough doctors. We have distribution problems, I agree, we've put a number of suggestions on the table and I've mailed a letter to all 22,000 physicians with the physician action plan.

I say to the honourable member from Algoma that I want to hear from physicians, particularly obstetricians, paediatricians and general practitioners or family doctors who are delivering babies right now because I know there is a problem with respect to the malpractice insurance.

The fact of the matter is, Justice Charles Dubin has been asked by the federal government and me, as provincial chair of health ministers across Canada, to investigate the Canadian Medical Protective Association, the malpractice fund. He'll be reporting back in September, and we think our position will be upheld that there's more than enough money in that fund and that neither doctors nor the government should be paying excessive premiums this year. We're taking the lead for doctors to make sure they don't pay into a fund, for example, that has more than —

**The Speaker:** The question has been answered.

#### ONTARIO STUDENT ASSISTANCE PROGRAM

**Mr Gary Fox (Prince Edward-Lennox-South Hastings):** My question is to the Minister of Education and Training. This is the time of year that university students begin to fill out their OSAP forms for next year's studies. While the students I have spoken with have been pleased with government reforms to student loans, all of them were critical of the hours, days and even weeks they spend in trying to contact OSAP with questions on their individual cases. Minister, is there some way that services can be improved so that university students can receive OSAP information more efficiently?

**Hon John Snobelen (Minister of Education and Training):** I thank the honourable member for an excellent question that's on the minds of many students across the province.

Like my colleague, I have heard from students that they are aware of some of the improvements that have been made in student aid for the next year. A lot of people in our post-secondary community were delighted with the announcement of the finance minister in the budget last week that they'd committed \$100 million towards a trust fund for students most in need, and that will add up to \$200 million.

Of course, our ministry is committed to an enhanced service, particularly for people who are applying for OSAP. We think that's important and we are not happy with the level of service students have enjoyed in the past. We are working now to improve our ability to respond to the common questions that are asked so many times by students, and they have a great difficulty in getting responses to those questions. In fact, some of the initiatives that we're taking on now, I'm delighted to say, will increase our abilities to respond by 300%. We'll be bringing those online later this year.

We're also looking for a program of handling our deposits, our payments to students by electronic deposit, which will also enhance service.

**Mr Fox:** Although I hear that the current generation of students is the first one that is completely computer-literate, with this in mind, are you taking any steps to make OSAP data available by computer link?

**Hon Mr Snobelen:** I'm pleased to be able to report to my colleague that every college and university financial aid office is now hooked up. They're on line with the student support computers in Thunder Bay. This will greatly reduce the time it takes to process applications. We're also establishing a World Wide Web site, a home page, so that OSAP students can check on the status and can perhaps in the future make an application through the net. That's certainly going to be an enhanced service for our students in the province of Ontario.

#### HOSPITAL RESTRUCTURING

**Mr Dominic Agostino (Hamilton East):** My question is to the Minister of Health. As you are aware, yesterday the Hamilton-Wentworth Health Action Task Force in Hamilton submitted its final report to the Hamilton-Wentworth District Health Council. The task force recommended that one acute care hospital in Hamilton close but did not specify which one. In the initial report, it had specified St Joseph's Hospital. Now what the task force has done is left it completely wide open and it has put all the hospitals in Hamilton under a death watch.

Apparently, the task force did not listen to the tens of thousands of Hamiltonians who spoke out, who handed in petitions, who came here in regard to the opposition to closing St Joseph's or any of our hospitals. It appears that the consultation process was a complete waste of time for everyone involved. It was a sham. It was simply a farce. It did not work. The task force did not listen to the people of Hamilton.

You have a responsibility to intervene. The CEOs of the Hamilton hospitals put forward a strong and credible alternative that has wide acceptance in the community and has been well received, even by your own members on the government side of the House. Will you guarantee today that you will reject any recommendation by the district health council to close any of the Hamilton hospitals and will you accept the recommendations by the CEOs and the community that in essence will continue to operate a hospital but still work within the budget restrictions you have given them? Put the people of Hamilton at rest and assure them you will not close one of their hospitals today.



**Hon Jim Wilson (Minister of Health):** The honourable member's party, the Liberal Party, has once again flip-flopped and changed its position. I recall about a month of Bill 26 discussions where your health critic and your leader made it very clear that the Minister of Health should never intervene in the development of hospital restructuring studies at the DHC level.

I will not be intervening in the case of Hamilton, as I will —

**Mrs Lyn McLeod (Leader of the Opposition):** That is not the truth.

**The Speaker (Hon Allan K. McLean):** Order.

**Hon Mr Wilson:** — any of the other locally developed studies because it's important that the community —

**Mrs Elinor Caplan (Oriole):** That is not true. That is not the truth.

**The Speaker:** Order. Would the members come to order, please. I cannot hear the minister.

**Hon Mr Wilson:** I could provide Hansard quotes with respect to the Bill 26 debate. The Liberal Party put forward an amendment, which we accepted, that said the Health Services Restructuring Commission shall or must take into account — I forget the exact wording — the locally prepared district health council reports. One reason we set up a Health Services Restructuring Commission was to take the politics out of restructuring hospitals, so no, I will not intervene in the development of your district health council report.

**Mr Agostino:** First of all, what the minister is saying about the Liberal position is a total misinterpretation. You are wrong and you know it. If you go back to Hansard, you'll see that.

You are not ruling out the closure of a Hamilton hospital today. This community's been put through hell as a result of the task force recommendation to close St Joseph's. What you're now saying to the people of Hamilton is, "You will continue to go through this and all of your hospitals are at stake."

Ultimately, you have the power, you have the responsibility to make that decision, and you have the power and the responsibility today to say to the people of Hamilton that the alternative put together by the CEOs, which works within your budget cuts, which allows all four hospitals to remain open, is a good alternative. Stop this farce. Stop this process that is an absolute sham. Stand up very clearly today. Tell the people of Hamilton that the community consultation and the consensus that is acceptable is the recommendation by the CEOs and tell the people of Hamilton you will not close one of our hospitals. Give us a simple —

**The Speaker:** The question's been asked.

**Hon Mr Wilson:** I've said 100 times that this government has no list of hospitals to close. All three parties agree that hospital restructuring must occur. We know that with the transfer reductions to hospitals — and that money will be reinvested in the rest of the health care envelope — that it's very doable and that we must restructure our hospital system. Today Ontarians pay more proportionately for bricks and mortar and administration in hospitals than we do, compared to other provinces, with respect to the services delivered by those hospitals.

For example, in Metro Toronto, when you have 44 hospitals and 44 administrations, incredible duplication of services, regardless of whether your party is in government or our party is in government or the NDP who, by the way, started this process, started the restructuring process, went out and asked 60 district health councils to do the studies, we came along and said we will not throw politics into the development of local studies, so I reject your challenge today and I suggest that you not inject politics into this process either, because that is wrong for health care and it's wrong for the hospital system in this province.

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## PETITIONS

### NORTH YORK BRANSON HOSPITAL

**Mr Monte Kwinter (Wilson Heights):** I have a petition to the Legislative Assembly of Ontario.

"Whereas the final report of the Metropolitan Toronto District Health Council hospital restructuring committee has recommended that North York Branson Hospital merge with York-Finch hospital; and

"Whereas this recommendation will remove emergency and inpatient services currently provided by North York Branson Hospital, which will seriously jeopardize medical care and the quality of health for the growing population which the hospital serves, many being elderly people who in numerous cases require treatment for life-threatening medical conditions;

"We petition the Legislative Assembly of Ontario to reject the recommendation contained within the final report of the Metropolitan Toronto District Health Council hospital restructuring committee as it pertains to North York Branson Hospital, so that it retains, at minimum, emergency and inpatient services."

I've affixed my signature.

### RUNNYMEDE CHRONIC CARE HOSPITAL

**Mr Derwyn Shea (High Park-Swansea):** I rise to present a petition signed by members of St Paul's Anglican Church Runnymede who support my effort to keep Runnymede hospital open and serving the chronic care needs of patients, their families and many community agencies such as Huntington's and multiple sclerosis. Their petition reflects opposition to Metropolitan Toronto District Health Council's recommendation to close Runnymede Chronic Care Hospital, and I'm very pleased to add my signature to this petition.

### TRANSITION HOUSE

**Mr Pat Hoy (Essex-Kent):** "To the Legislative Assembly of Ontario:

"Whereas Transition House in Chatham has provided emergency shelter to troubled or abused youth as well as support, counselling and life skills training since 1990, and, operating on a five-year budget of \$865,000, they have counselled over 400 youth and served over 20,000 meals;



"Whereas the city of Chatham and the county of Kent rely on Transition House to meet the needs of its troubled youth and there is no other facility to serve the needs of the community; and

"Whereas the principles of discipline, self-help and regimented environment at Transition House have combined with counselling and support to provide youth with the motivation and self-respect to return to school or find jobs; and

"Whereas the government of Ontario has cut its direct funding to Transition House by almost \$48,000 annually and placed the existence of Transition House in jeopardy;

"Be it therefore resolved that we, the undersigned, urge the government of Ontario to reverse its decision to cut the funding to Transition House in Chatham."

I affix my signature to this.

#### ST JOSEPH'S HOSPITAL

**Mr David Christopherson (Hamilton Centre):** I have a petition to the Minister of Health and the Hamilton-Wentworth District Health Council.

"Whereas the Hamilton-Wentworth Health Action Task Force, as part of their report, has recommended the closure of St Joseph's Hospital in Hamilton; and

"Whereas it is recognized the health care system should be made as efficient as possible; and

"Whereas the quality of health care in our community should not be sacrificed in the name of this efficiency; and

"Whereas the Mike Harris government promised to protect the quality of health care in Ontario; and

"Whereas we, the undersigned, believe that maintaining the presence of St Joseph's Hospital in downtown Hamilton is a vital component of our health care system;

"Therefore be it resolved that the Minister of Health and the Hamilton-Wentworth District Health Council ensure the continuance of St Joseph's Hospital at its present site."

I affix my signature also.

#### COLLEGE OF TEACHERS

**Mr Leo Jordan (Lanark-Renfrew):** I have a petition to the Legislative Assembly of Ontario.

"Whereas the public secondary teachers of Ontario have taken a workplace democracy vote in accordance with Bill 7, and have rejected the proposed College of Teachers by a 94.8% vote;

"We, the undersigned, urge the provincial assembly to instruct the government to withdraw Bill 31, the Ontario College of Teachers Act, 1995."

#### VIDEO LOTTERY TERMINALS

**Mr James J. Bradley (St Catharines):** I have a petition from a number of people in the St Catharines area that reads as follows:

"Since video lottery terminals will contribute to gambling addiction in Ontario and the resulting breakup of families, spousal and child abuse and crime such as embezzlement and robbery;

"Since the introduction of video lottery terminals across Ontario will provide those addicted to gambling

with widespread temptation and will attract young people to a vice which will adversely affect their lives for many years to come;

"Since the introduction of these gambling machines across our province is designed to gain revenue for the government at the expense of the poor, the vulnerable and the desperate in order that the government can cut income taxes to the greatest benefit of those with the highest income;

"Since the placement of video lottery terminals in bars in Ontario and in permanent casinos in various locations across the province represents an escalation of gambling opportunities; and

"Since Premier Harris and Finance Minister Eves were so critical of the provincial government becoming involved in further gambling ventures and making the government more dependent on gambling revenues to maintain government operations;

"We, the undersigned, call upon Premier Harris and the government of Ontario to reconsider its announced decision to introduce the most insidious form of gambling, video lottery terminals, to restaurants and bars in this province."

I present this petition to Brad Hammond, page from St Catharines' Ferndale school.

#### SCHOOL BOARD RESTRUCTURING

**Mr Bill Grimmatt (Muskoka-Georgian Bay):** I have a petition here signed by approximately 194 of my constituents. It relates to the interim report of the Sweeney commission and appears to be in the proper form.

#### NON-PROFIT HOUSING

**Mr Alvin Curling (Scarborough North):** "Whereas the Ontario government has clearly indicated that it 'wants to get out of the housing business'; and

"Whereas the Ontario government is reviewing the legal contracts and budgets of every co-op housing project in the province; and

"Whereas the Ontario government has announced plans to make huge cuts to co-op and non-profit housing funding; and

"Whereas the Ontario government wants to replace affordable housing with subsidies to private landlords; and

"Whereas co-op housing is a proven success in providing affordable homes owned and managed by the people who live in them; and

"Whereas the actions of the Ontario government threaten to destroy stable, well-maintained communities which have been built over the last quarter of a century and the investment all Ontarians have made in this type of affordable social housing;

"We, the undersigned, request that the Ontario government sit down with the co-op housing sector to negotiate a deal which will ensure the long-term financial viability of housing co-ops and the continuance of rent-geared-to-income assistance upon which thousands of co-op members depend and which will promote greater responsibility for administration by the co-op housing sector and less interference by the government in the day-to-day operations of housing co-ops."

I affix my signature, with the many, many people who have signed this.

### DRINKING AND DRIVING

**Mr John R. Baird (Nepean):** I'm pleased to present a petition addressed to the Legislative Assembly of Ontario.

"Whereas drinking and driving is the largest criminal cause of death and injury in Canada;

"Whereas every 45 minutes in Ontario a driver is involved in an alcohol-related crash;

"Whereas most alcohol-related accidents are caused by repeat offenders;

"Whereas lengthy licence suspensions for impaired driving have been shown to greatly reduce repeat offences;

"Whereas the victims of impaired drivers often pay with their lives while only 22% of convicted impaired drivers go to jail, and even then only for an average of 21 days;

"We, the undersigned, petition the Legislative Assembly of Ontario as follows:

"We urge the provincial government to pass legislation that will strengthen measures against impaired drivers in Ontario."

It's signed by residents from Nepean, Kars, Kanata and the city of Ottawa.

1520

### INQUESTS

**Mr Rick Bartolucci (Sudbury):** To the Honourable Solicitor General and the Legislative Assembly of Ontario:

"Whereas the Progressive Conservative government of Ontario has decided to scrap mandatory inquests as a result of fatalities in the mining and construction industry; and

"Whereas this unprecedented and callous decision sets workplace safety back 20 years,

"We, the undersigned, request the Solicitor General and the Legislative Assembly of Ontario, on behalf of all workers in the mining and construction industry, reverse this decision to remove mandatory inquests from the Coroners Act of Ontario."

I affix my name to it.

### DELLCREST CHILDREN'S CENTRE

**Mr Tony Ruprecht (Parkdale):** I keep receiving hundreds of petitions against the open custody residence for troubled children and youth.

"Whereas the Dellcrest Children's Centre is planning to open a 10-bed open custody residence at 182 Dowling Avenue; and

"Whereas the residence is an inappropriate site for the rehabilitation of troubled children and youth because it is within walking distance to illicit drug and prostitution activities; a large number of unsupervised and supervised rooming houses that are home to a number of ex-psychiatric patients; parolees and our society's most vulnerable and ostracized members; and a number of licensed

establishments that have been charged with various liquor infractions; and

"Whereas the decision to relocate also expresses a total lack of regard towards our community's consistent and well-documented wishes for the Ontario government to stop the creation or relocation of additional social service programs or offices in an area that is already oversaturated with health and social services for disadvantaged, troubled or disenfranchised people,

"We, the undersigned local residents, urge the Ministry of the Solicitor General and Correctional Services to suspend plans to relocate the open custody residence for troubled youth until a full review of the Dellcrest Children's Centre's decision can be conducted, and explore with us alternative locations which are more appropriate."

I've affixed my signature to this document.

### VIDEO LOTTERY TERMINALS

**Mr John Gerretsen (Kingston and The Islands):** I have a very important petition to the government of Ontario, and it states:

"Since video lottery terminals" —

**Mr Bruce Crozier (Essex South):** Slot machines.

**Mr Michael A. Brown (Algoma-Manitoulin):** Slot machines.

**Mr Gerretsen:** — slot machines, right — "will contribute to gambling addiction in Ontario and the resulting breakup of families, spousal and child abuse and crimes such as embezzlement and robbery; and

"Since the introduction of video lottery terminals" — slot machines — "across Ontario will provide those addicted to gambling with widespread temptation and will attract young people to a vice which will adversely affect their lives for many years to come; and

"Since the introduction of these gambling machines across our province is designed to gain revenue for the government at the expense of the poor, the vulnerable and the desperate in order that the government can cut income taxes to the greatest benefit of those with the highest income; and

"Since the placement of video lottery terminals" — slot machines — "in bars in Ontario and in permanent casinos and various locations across the province represents the escalation of gambling opportunities; and

"Since Premier Harris and Finance Minister Eves were so critical of the provincial government becoming involved in further gambling ventures, making the government more dependent on gambling revenues to maintain government operations;

"We, the undersigned, call upon the Premier and the government of Ontario to reconsider its announced decision to introduce the most insidious form of gambling, video lottery terminals, to restaurants and bars in the province."

I affix my signature to it.

### TAX REDUCTION

**Mr Michael A. Brown (Algoma-Manitoulin):** To the Ontario Legislature:

"Given that the proposed cuts in income tax will mean even more devastating cuts to social programs, including



education and health care, we ask the government of Ontario not to proceed with the cut in income tax promised during the election. The few dollars we get are not worth the extra user fees we will have to pay, the cuts to services we all use and the hardships it will cause."

This is signed by hundreds of my constituents and constituents in the riding of Algoma.

### GASOLINE PRICES

**Mr Bruce Crozier (Essex South):** I have a petition on gas prices.

"Whereas since March, 1996 gasoline prices have increased on average a dramatic 10 cents a litre, which is over 45 cents a gallon; and

"Whereas this increase in the price of gasoline has outpaced the rate of inflation by a rate that is totally unacceptable to all consumers in this province because it is unfair and directly affects their ability to purchase other consumer goods; and

"Whereas Premier Mike Harris and Consumer and Commercial Relations Minister Norm Sterling, while in opposition, expressed grave concern for gas price gouging and asked the government of the day to take action;

"We, the undersigned, petition Premier Harris and the government of Ontario to eliminate gas price-fixing and to prevent oil companies from gouging the public on an essential and vital product."

In support of this, I affix my signature.

### USER FEES

**Mr Tony Ruprecht (Parkdale):** I have another petition of grave concern to the residents of Toronto. This is to the Legislative Assembly of Ontario.

"Whereas the Ministry of Health will begin to charge seniors and social assistance recipients a \$2 user fee for each prescription filled on June 1, 1996; and

"Whereas health care experts have asserted that user fees for drugs could jeopardize the health of individuals who cannot afford to pay for their medication; and

"Whereas Ontario's ex-psychiatric populace rely heavily on prescription drugs to remain stable, and mental health care providers and the general public are scared of the outcome if these patients cannot afford to buy their medication because of the \$2 dispensing fee when it is normal policy to only prescribe them a two- to three-day supply of medication to prevent potential misuse or an overdose; and

"Whereas the perceived savings to health care from the \$2 copayment fee" — or user fee — "will not compensate for the suffering and misery caused by this user fee and will not even cover the cost of extra emergency services nor repeated hospital services. The \$2 copayment will consequently not lead to cost savings but rather increases in the case of expensive health care services; and

"Whereas the current Ontario Minister of Health, Jim Wilson, promised as an opposition MPP in a July 5, 1993, letter to Ontario pharmacists that his party would not endorse legislation that will punish patients to the detriment of health care in Ontario;

"We, the undersigned residents of Ontario, strongly urge the government to repeal this user fee plan before it takes effect on June 1, 1996, because of the potential dramatic increase in emergency and police services, and the suffering and misery of human lives — especially psychiatric outpatients, and those who depend on medication for their daily survival."

I have affixed my name to this petition.

## REPORTS BY COMMITTEES

### STANDING COMMITTEE ON PUBLIC ACCOUNTS

Mr Colle from the standing committee on public accounts presented the committee's report on the retail sales tax and moved the adoption of its recommendations.

**The Acting Speaker (Ms Marilyn Churley):** Does the member wish to make a brief statement?

**Mr Mike Colle (Oakwood):** This was a non-partisan approach to a very serious problem of tax avoidance and the whole issue of retail sales tax. I think we've come up with a very solid report, with a lot of good input from everybody. I move adjournment of the debate.

**The Acting Speaker:** Is it the pleasure of the House that the motion carry? Carried.

1530

## INTRODUCTION OF BILLS

### MUNICIPAL AMENDMENT ACT, 1996

#### LOI DE 1996 MODIFIANT LA LOI SUR LES MUNICIPALITÉS

Mr Ruprecht moved first reading of the following bill: Bill 51, An Act to amend the Municipal Act / Projet de loi 51, Loi modifiant la Loi sur les municipalités.

**The Acting Speaker (Ms Marilyn Churley):** Is it the pleasure of the House that the motion carry? Carried.

Does the member have any comments?

**Mr Tony Ruprecht (Parkdale):** This bill gives municipalities the power to make bylaws with respect to the hours during which liquor may be served. The residents, of course, in certain sections of Ontario, in certain municipalities, deserve the right to determine just how long some of these establishments can remain open.

### AGGREGATE AND PETROLEUM RESOURCES STATUTE LAW AMENDMENT ACT, 1996

#### LOI DE 1996 MODIFIANT DES LOIS EN CE QUI CONCERNE LES RESSOURCES EN AGRÉGATS ET LES RICHESSES PÉTROLIÈRES

Mr Hodgson moved first reading of the following bill: Bill 52, An Act to promote Resource Development, Conservation and Environmental Protection Through the Streamlining of Regulatory Processes and the Enhancement of Compliance Measures in the Aggregate and Petroleum Industries / Projet de loi 52, Loi visant à



promouvoir la mise en valeur des ressources, la conservation ainsi que la protection de l'environnement en simplifiant les processus de réglementation et en renforçant les mesures de conformité dans l'industrie pétrolière et l'industrie des agrégats.

**The Acting Speaker (Ms Marilyn Churley):** Is it the pleasure of the House that the motion carry? Carried.

Does the minister wish to make a brief statement?

**Hon Chris Hodgson (Minister of Natural Resources, Northern Development and Mines):** Thank you, Madam Speaker. I've already made a couple of brief statements today on it.

**Mr John O'Toole (Durham East):** Madam Speaker, I think you'll find there's unanimous consent to allow me to introduce a bill on behalf of the member for Scarborough East, Steve Gilchrist.

**The Acting Speaker:** Is there consent? Agreed.

LABOUR UNION AND  
EMPLOYEES ASSOCIATION  
FINANCIAL ACCOUNTABILITY ACT, 1996  
LOI DE 1996 SUR LA RESPONSABILITÉ  
FINANCIÈRE DES SYNDICATS  
ET DES ASSOCIATIONS D'EMPLOYÉS

Mr O'Toole, on behalf of Mr Gilchrist, moved first reading of the following bill:

Bill 53, An Act to Promote Full Financial Accountability of Labour Unions and Employees Associations to Their Members / Projet de loi 53, Loi visant à promouvoir la responsabilité financière complète des syndicats et des associations d'employés envers leurs membres.

**The Acting Speaker (Ms Marilyn Churley):** Is it the pleasure of the House that the motion carry? Carried.

MEMBER'S COMMENTS

**Mr David S. Cooke (Windsor-Riverside):** Madam Speaker, before we get to orders of the day, I have a point of order that I would have raised with the Speaker in the chair, but I didn't want to interrupt petitions and I thought he would still be in the chair at this point.

I would just ask that the Speaker's office take a look at comments that were made in the House this afternoon during question period by the Premier in answer to questions from the Leader of the Opposition. The Speaker has on several occasions in the House raised concerns about decorum and he has imposed some fairly stiff penalties on those members of the Legislature, primarily members who are in the third and fourth rows, if I might say that. I think if we're going to have decorum in the Legislature, the Speaker is going to have to enforce the rules and his views uniformly. The kinds of comments that were made by the Premier were as close as they could possibly come to accusing the Leader of the Opposition of lying and misleading, and the Premier was not called to order.

I would just ask that Hansard be reviewed and that the Speaker start enforcing the rules uniformly with the opposition parties but also with the front bench of the government.

**The Acting Speaker (Ms Marilyn Churley):** On the same point of order, the member for St Catharines.

**Mr James J. Bradley (St Catharines):** I will try to keep mine brief as well. I listened to the remarks. I know question period is a time where there's more boisterousness than other times, but I listened carefully to the comments of the Premier, and they were in the same category as those which had received the attention of the Speaker in days gone by when members of the opposition had used words in that general field. I think it would be interesting to review those for the Speaker to see whether they are in compliance with what he sees as the proper decorum in the House in terms of falsifying or lying or things of that nature, where members make that kind of accusation. I certainly would like to see that happen and endorse the intervention of the member for Windsor-Riverside.

**The Acting Speaker:** Thank you to the members for Windsor-Riverside and St Catharines for raising these points of order. I will see to it that the matter is looked into by the Speaker.

ORDERS OF THE DAY

TAX CUT AND ECONOMIC GROWTH ACT, 1996  
LOI DE 1996 SUR LA RÉDUCTION D'IMPÔTS  
ET LA CROISSANCE ÉCONOMIQUE

Mr Sampson, on behalf of Mr Eves, moved second reading of the following bill:

Bill 47, An Act to cut taxes, to stimulate economic growth and to implement other measures contained in the 1996 Budget / Projet de loi 47, Loi visant à réduire les impôts, à stimuler la croissance économique et à mettre en oeuvre d'autres mesures mentionnées dans le budget de 1995.

**Mr David S. Cooke (Windsor-Riverside):** On a point of order, Madam Speaker: I have a point of order with regard to Bill 47. It is my view that Bill 47 is out of order. I will not go through a lengthy point of order, but I have a few comments to make and I would ask that you bear with me.

The title of this bill, An Act to cut taxes, to stimulate economic growth and to implement other measures contained in the 1996 Budget, makes it clear that it's an omnibus bill. Madam Speaker, while we have had previous rulings in this Legislature, rulings in the past have made it clear that there is a line at which bills will cross, but that by and large the definition of an omnibus bill is that all sections of the bill must be tied to the title or tied together.

I'll run through very briefly all the sections of the bill: Part II is an amendment to the Employer Health Tax Act, obviously a tax bill; part III, amendments to the Land Transfer Tax Act; part IV, amendments to the Race Tracks Tax Act; part V, amendments to the Retail Sales Tax Act; part VI, amendments to the Tobacco Tax Act; part VII, amendments to the Corporations Tax Act; part VIII, amendment to the Financial Administration Act, and that is dealing with an item that was clearly outlined in the budget; part X is the Ontario Loan Act, again part of the budget. But part IX is the amendment to the Family Benefits Act, not an item that is dealt with in terms of



taxes, not an item that is part of the budget; it is an item that flows out of something the federal government has done.

I can understand politically why the government does not want to bring in a separate piece of legislation: because clearly, in order to implement this change in the federal rules, there would be a debate in this place on social assistance; it would be a separate piece of legislation. Instead, they've decided to put it in with this piece of legislation, which is all about taxes and the budget, and then bring in, as part of this omnibus bill, the Family Benefits Act.

Madam Speaker, I would ask that you refer to all the items and precedents and matters that were raised when concerns were expressed in this assembly by members of both opposition parties with respect to Bill 26. All the precedents were clearly outlined, and I think they apply here, but I think this one is much clearer and much easier to deal with: that is, that part IX of the act should be pulled out of this omnibus bill and dealt with as a separate piece of legislation.

At some point, and I remember the ruling that was made by the Speaker with respect to Bill 26, the Speaker said he had difficulty deciding what the government can and cannot introduce. But I think it's also been recognized that at some point the Speaker, who rules this place, has to make a decision when the line is crossed and when the purpose of omnibus legislation has destroyed Parliament and taken away the opportunity for members of the assembly who agree with some parts of legislation and disagree with other parts, or when you try to simply put together a whole series of legislative measures under one piece of legislation.

1540

In effect, what we have here is partly a budget bill and partly a bill dealing with social legislation that has nothing to do with either taxes or the budget. If this is allowed to stand, we will have taken another step towards ultimately just having one piece of legislation every year or two when a government decides to call Parliament together, and the whole process of debate, public consultation and consultation with the people who are elected to represent the 11 million people in this province in this Parliament will be completely destroyed.

I believe the Speaker has a responsibility to make sure that the rights of the opposition and the rights of the taxpayers and voters of this province are protected, and if this bill is allowed to proceed as is, then I think we will have gone further down the slippery slope of destroying the integrity of Parliament in the province of Ontario.

I ask you to take the appropriate time that is necessary to review this point of order, review part IX of the proposed act in particular, and I believe come to the conclusion that this should be pulled out of the legislation and dealt with as a separate piece of legislation in this place.

**Mr Dominic Agostino (Hamilton East):** On the same point of order, Madam Speaker: I agree with the member on the other side. If you look at the legislation — and this is not to debate the merits of this bill or the eight or nine or 10 sections that are relevant to the tax and the

one that is not — I really felt that we had learned from Bill 26 and that the process had been cleared and there was an understanding that we were not going to try to use massive bills to sweep in 20 or 30 different changes, as was tried under the previous Bill 26.

Nine of these fit under taxation, as the member for Windsor-Riverside has mentioned, but the amendment to the Family Benefits Act absolutely has no relevance to a taxation bill. There's a change made to the Canada assistance plan. That can be debated and the Family Benefits Act itself can be debated, but to try to sneak in an amendment or a change to the Family Benefits Act under nine other tax changes makes absolutely no sense whatsoever.

I suggest to you, Madam Speaker, that this one particular item should be removed, that the bill itself should deal with taxation. If the government wants to bring back or has to bring back — and I can understand why they'd want to bring it back — a particular separate bill to deal with the amendments and changes to the Family Benefits Act, we can do that. We can then debate the changes to the Canada assistance plan and, at the same time, the changes this government has made to family benefits.

Under this bill it makes no sense, and I ask you again to have the Speaker rule on this and ask the government to withdraw this particular item.

**Mr John R. Baird (Nepean):** On the same point of order, Madam Speaker: I think it's important to put on the record on this point of order that there's a very long-standing principle in this place that all the matters arising from a budget, all the financial measures contained in the budget as well, be grouped into one bill. This was certainly the practice under the previous two ministers, Mr Laughren and Mr Nixon. I simply submit that Bill 47 is perfectly in order.

**Mr Tony Silipo (Dovercourt):** On the same point of order, Madam Speaker: Just to add a couple of other comments to this, it's certainly a long-held practice of not only this Legislature but indeed of the parliamentary system under which we function that omnibus bills and budget bills are acceptable as covering a broad range of measures — I don't think that's what we are quibbling with — but they have to be matters, I would argue, that are related, if not directly connected to the budget, and matters that arise from that.

The problem we have with part IX of Bill 47 is that it is not related to the budget. It wasn't referred to at all anywhere that we could find in the budget, but more importantly, it doesn't deal with the kinds of issues that are covered in the rest of the bill. It's again a long-held practice and tradition of the parliamentary system that we function under that matters covered in the same bill have to have at least some sense of connection in order to allow the opposition and the public the opportunity to understand fully the connections between one section and another and therefore to be able to fully debate those provisions.

We suggest that therefore the appropriate thing to be done under this bill is for part IX to be severed, and if the government wants to proceed with it as a separate piece of legislation, then that would be the way to do it. Certainly we would have an opportunity to debate it and,



my sense is, support it. It's not a question of dealing with it on the merits, but it's saying that in terms of respecting the processes and the rules of this place, part IX is out of order as it relates to the rest of the bill. Therefore, it unfortunately places, we would argue, the whole bill out of order. We think some action needs to be taken to rectify this at this important point as we are entering into second reading debate.

**Hon Noble Villeneuve (Minister of Agriculture, Food and Rural Affairs, minister responsible for francophone affairs):** Madam Speaker, I had the opportunity of occupying the very august chair that you occupy this afternoon and I was placed in a position with the previous government to rule. My problem is that if the Speaker ever gets involved in the contents of a bill, then we have chaos in this place. The government is here to do what it sees best. This is simply to make sure that the Family Benefits Act continues, in spite of the fact that there will be no additional funding. That is my —

**The Acting Speaker (Ms Marilyn Churley):** Minister, would you take your seat. We're not here to debate the merits of this particular part of the bill now. I want to hear the points of order at this point but not the debate on the particular item.

**Mr Chris Stockwell (Etobicoke West):** Same point of order, Madam Speaker: If we're going to check for precedents of previous governments and their budget bills and legislation that flowed out of those budgets, you would do a service to check back on the previous administrations and the legislation that flowed out of budgets they offered up in this chamber.

Let me be very clear: If it was incumbent on the Chair to now measure each individual piece of legislation that flowed from a budget and tie it back exactly as the spoken word that was offered up in the budget statement, I think you would be endlessly chasing your tail with respect to what is appropriate legislation, what the opposition members deem as omnibus legislation and what we in this government consider to be acceptable legislation before this House flowing from the budget.

We seem to be citing precedent in this place in previous budgets and what the history dictates for this Legislature to properly approve and debate items before it. Let me be very clear: This is the same Legislature through history that used to have five days of debate on a budget. It was nothing for the previous government to have one day of debate on a budget. That was history.

**Mr Cooke:** We've got two.

**Mr Stockwell:** Or two days' debate.

It was the history of this House that we used to have a budget address by the minister — Mr Laughren, for example — and we'd actually vote on a budget. That was history, as I recall very clearly. That government introduced a budget that we never voted on, so it strikes me as passing strange that today they want to dissect small segments of this budget, suggesting it's an omnibus bill, which in my opinion is splitting hairs. When they were in government, we didn't even get to vote on their budgets.

**The Acting Speaker:** On the same point of order, the member for Scarborough-Agincourt. I would request, if it's on the same point of order, that you have a different

perspective to give here. Please don't repeat what's already been said.

**Mr Gerry Phillips (Scarborough-Agincourt):** I'll try my best.

**Mr Rob Sampson (Mississauga West):** Full of challenges, Gerry.

**Mr Phillips:** That's right. It's a bit of a challenge.

**The Acting Speaker:** I know it's a challenge, but try.

**Mr Phillips:** I guess you'll have to judge that, Madam Speaker.

From the public's perception, what's the debate here? The debate is that we in the opposition feel it is inappropriate of the government to try, in a bill that everyone believes is dealing with the budget — that's what the title is, that's the understanding. The public surely believe that we are debating a bill that will allow the government to implement its budget, but caught in the middle is a part of the bill that has nothing to do with the budget. It's never mentioned in the budget. There's no word in the budget about it; it doesn't come up; it doesn't flow from the budget. To the extent that we are presumably dealing with a bill that allows the government to implement its budget, this bill does something different. It allows them to change the Family Benefits Act. Nothing in the budget about that — nowhere. Why is it important? Clearly, if they are allowed to do it here, for the future we should assume the government simply feels free any time it wants to put anything into a budget bill and then force the Legislature to deal with it. The government will force the Legislature to deal with it.

**Interjection:** Arrogance.

**Mr Phillips:** It is, as my colleague said, arrogance. Madam Speaker, you have a responsibility to, if you will, protect the opposition. That's language I hope the public understands, but it is your responsibility to make certain our rights are looked after. In our party's opinion, trying to slip something through dealing with the Family Benefits Act that has nothing to do with the budget is an abuse of the House. I would hope you would have an opportunity to review this as an abuse of the House and to instruct the government that it is out of order having this section included in the bill.

**Hon Mr Villeneuve:** I just can't let my honourable colleague the member for Scarborough-Agincourt here — this is part of the bill and it's allowing us to pick up on the Canada assistance program. It is very much part of the budget, because that's where the funding comes from.

**Mr Phillips:** Now that you're an expert on it, would you point out in the budget where that is stated?

**The Acting Speaker:** Order, please. This is not question period. You are putting forward points of order. I'd like to thank everybody for the points of order that have been raised and thank members from both sides for their advice. I am now going to recess the House for 10 minutes. We'll all come back in 10 minutes. I'm going to recess the House so I can consider the matter placed before me.

*The House recessed from 1553 to 1603.*

**The Acting Speaker:** Would the members please take their seats. I would again like to thank the members for the point of order which was raised. I have my ruling,



and I want the members to know that I took the point of order seriously and considered the points raised seriously. But I must tell you that the Speaker has no power to split the bill. If you will recall, that was the main conclusion of Speaker McLean in his ruling on Bill 26.

In my view, the bill is in order. To repeat what Speaker McLean said — and what other speakers, I might add, have said in the past — if members want to give Speakers the power to split bills, I suggest they consider giving them that explicit power by an amendment to the standing orders.

Members are, however, at liberty at the clause-by-clause debate to vote against section 25. That's the section that deals with the Family Benefits Act.

Mr Sampson has moved second reading of Bill 47.

**Mr Sampson:** I believe we still have, at least I hope we still have, unanimous consent to share my time —

**Mr Stockwell:** On a point of order, Madam Speaker: I'd just like to know your ruling. You're ruling that you can't split a bill, and the motion or the bill is in order.

**The Acting Speaker:** My ruling was very clear, member for Etobicoke West. I said that I ruled against the —

**Mr Stockwell:** I understand. I'm just asking about the ruling. It was clear, but it wasn't that clear.

**The Acting Speaker:** My ruling is that the Speaker does not have the power to split the bill, and the bill is in order.

Mr Sampson, let's try again.

**Mr Sampson:** I'll start off again. I gather we have unanimous consent to share my time with the member for Durham Centre.

**The Acting Speaker:** Agreed? Agreed.

**Mr Sampson:** It's my pleasure to start off the debate on second reading of Bill 47, which I'm pleased to hear is still a complete bill. When I start off, I think it's rather interesting that I would refer all of my colleagues in the House to a rather extensive document that was submitted with the budget speech by the Minister of Finance. It's called actually the budget papers.

**Mr Cooke:** It's not the budget.

**Mr Sampson:** My friend opposite says it's not the budget. It was actually —

**Mr Cooke:** I'm not actually your friend opposite either. We're on the same side.

**Mr Sampson:** I'm not surprised that my friend over here, as he would actually allow me to refer to him —

**Mr Cooke:** To your right.

**Mr Sampson:** He tells me that he's my friend to my right. I suspect that's not the case in a lot of degrees. I refer him to page 53 of the budget papers document. Again, I'm not surprised that he's not terribly familiar with this particular document since it's the first time such an extensive document has been prepared as an attachment to an Ontario budget.

I want to start off, if I can, with some statements as they relate to what we were trying to achieve in the budget that was delivered by the Minister of Finance last Tuesday. I think it would be beneficial for the House to understand that the budget statement, that budget speech and the attendant papers, were actually part and parcel of the balanced plan that we laid in front of the electorate of

Ontario last year, part and parcel of the Common Sense Revolution.

I say it's a part because it's part of the balanced approach that we felt was necessary, and that numerous Ontarians felt was necessary, because of course the Common Sense Revolution was a document that was crafted as a result of consultation with average Ontarians. It was their response to us, to the question we put to them as a party through the leader, the now Premier, and many other members of caucus and party members. It was a question we put to Ontarians: "What would you like to see and how would you like to see the future government of Ontario shape Ontario going into the turn of the century?"

They replied to us. We took those replies, crafted them into an election platform, the Common Sense Revolution document —

**Mr Baird:** Three million copies.

**Mr Sampson:** That's right. Indeed my friend opposite refers to three million copies. Three million copies plus were distributed to the electorate of Ontario. Strangely enough, when it came time for them to cast their ballots, they said our plan was indeed what they wanted us to deliver.

We started off that program in July and again in November of last year when we chose to take a more focused approach on the expenditure side of government, briefly, getting the Ontario government to focus on what it should be doing well and not doing, frankly, things that governments historically and most specifically over the last 10 years have not done very well.

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The other part of that balanced program was a mechanism to somehow generate some economic growth and stability in this province, to somehow create the job growth that Ontario rightly deserves and needs. So last Tuesday the Minister of Finance laid out to the people of Ontario our plan and our vision as to how we can achieve that particular objective through a series of tax cuts. The opposition parties, both sides, are having some difficulty with this. I must admit I find the Liberals' perspective on tax cuts somewhat strange. I do recall, actually, that when I was campaigning against the Liberal candidate in Mississauga West —

**Mr Baird:** That's the one who wanted to get rid of Bill 40.

**Mr Sampson:** Well, he had a lot of things he wanted to get rid of and change. But I do recall that prominently displayed on one of his election brochures was the statement, "Tax cuts equal jobs." So at one point in time in their history, within their party, they must have believed that tax cuts do generate jobs. I'm somewhat confused as I now hear comments coming from their leader and other members of their party that in fact tax cuts don't equal jobs. I suspect either they've changed their position or maybe they didn't really quite understand what it was they were saying at the time, or perhaps they didn't really mean what they were saying in the election, that tax cuts equal jobs. I'm not exactly sure what it is, but clearly we're getting completely different vibes, certainly from the people in the Liberal Party, with respect to our initiative to generate economic growth.



It's important, by the way, to put in perspective what exactly we were facing as a government when we were elected last June. There's a rather interesting document that came across my desk. It was prepared by the Fraser Institute. It's actually 1994, but the information is still quite relevant. I just want to read briefly, if I can, from the preface of this thing. This document, again, is not ours. It was prepared independently of us by a well-known institute, a well-known group of individuals who spend a lot of their time looking at these particular matters, and it says:

"Government debt has reached crisis proportions in Canada.... We have joined the Third World.

"The origin of Canada's all-government debt problem is spending beyond our means, year after year, and borrowing to make up the difference. The solution lies in spending control, not in higher taxes...."

They go on to make reference to the fact that, "The consequences of doing nothing about Canada's all-government debt problem are," in their words, "disastrous."

The other rather interesting thing about this particular document is that it actually rates provinces and countries around the world with respect to the level of, as they say, debt-to-GDP ratio. For those people watching and in the House who may not fully understand what GDP is, that's effectively a measurement of the province's or the state's or the country's ability to produce goods and services. It's the amount of economic activity, if you will.

The rather surprising fact about this particular document is that when they ranked Ontario with respect to the level of debt to the general economic activity in Ontario, Ontario came up 45th on the list, between Burundi and Morocco. I should say to you, Madam Speaker, I think it would be a bit of a shock — not that Burundi and Morocco are not nice places to be — for Ontarians to know that we ranked in that category as it relates to the level of debt we have versus the level of economic activity or the ability to earn our way out of that debt. I found that was quite a shocking statistic and something that we as a government are clearly trying to get a handle on as we move forward.

I also want to speak briefly to what has happened to this province over the last 10 years as it relates to economic activity, as it relates to government expenditure and as it relates to taxation. I know my colleague from Scarborough in the Liberal Party will be up on his feet shortly to speak to this particular bill, eloquently, as he usually does. He'll probably refer to, as he has in the past, and will speak quite proudly of the fact that during the late 1980s it was the Liberal government that came closer — I don't want to put words in his mouth; I'm sure he'll do a better job — than perhaps some previous governments have done in balancing the budget.

If you take a look at the statistics, that's actually true. But what he does not tell you is that during the time when economic activity in this province was booming, people had jobs, there was a tremendous amount of growth in income, this government — the Liberal government, that is — spent like crazy. Of course, in order to balance the budget when they were spending like crazy, they resorted to a tremendous number of tax increases:

personal income tax increases, further charges on land transfer tax, and the inevitable charges through to things like retail sales tax. I believe their government was the one that boosted the retail sales tax by 1%.

Of course they balanced the budget. Who couldn't balance the budget when you basically took an unlimited view on the resources and the capability of the taxpayers of this province to suck back numerous tax increases? Anybody can balance their budget on that basis. It's not difficult to balance your budget when you believe you have the right, I suppose in their view, to continually go back to the taxpayers and say: "Pay up. Pay up." We're talking about revenue increases here between 1985 and 1989 that never got below 11%, year-over-year increases: 11% increases in revenue. Generated from further economic activity? A small portion, but generated primarily through increases in tax rates, more and more charges to the taxpayers of Ontario.

It was no surprise to me, frankly, that when I went door to door in the election campaign and I tried to sense the appetite of the taxpayers of Ontario for further tax increases, they weren't to the tax wall; they'd been pushed over the tax wall by the two previous administrations who believed, consistently believed, that there was an unlimited source of money in the form of additional tax rates that they could generate.

On June 8 the electorate said, "Enough's enough." On June 8 the electorate said: "Ontario government, get your expenditure house in order. And by the way, Ontario government, there isn't an unlimited source of tax revenue here. There's only a fixed amount of tax increases that we can handle, and we've gone past that number, so give it back to us. It's our money. We earned it."

I shall just briefly comment on I thought a rather shocking statement that I heard from a member of the Liberal Party yesterday in debate, again speaking to the tax issue, indicating — and I believe it was in these words — that the taxpayer of Ontario hadn't yet earned a tax break. Well, it's the taxpayer of Ontario who has earned the income. They've worked hard to earn that money. We don't have a right to think that that's all of ours to spend on their behalf. We believe, as a government, that we need to leave more tax revenue in the hands of honest, hardworking Ontarians so that jobs can be created in this province and economic activity returned.

There are numerous indications of how countries and provinces and states that overtax, ie, continue to increase tax rates, eventually generate less tax income. There are numerous studies that say the higher you increase the rate, the less amount of dollars you'll be getting into the revenue pool. In fact, the previous 10 years have demonstrated that. Taxes increased over the last 10 years, but the net revenue collection of the province in the form of personal income tax has actually gone down.

Our challenge is to try to reverse that trend. Our challenge is to work with the taxpayers of this province to try to get private enterprise to generate the economic growth and activity that Ontario is going to need in order to recover from this tremendous debt burden that previous governments have brought on to our children and our children's children.



I shall close by saying that I'm very happy to be part of a government that is delivering on our election promise, not because it was just an election promise, but because we firmly believe, and I firmly believe, that it's the recipe for the future prosperity of this province. Yes, it's nice to deliver on election promises — although there are some members in the Liberal caucus on the federal side that would indicate that that's not terribly necessary any who — but I think it's important to deliver a plan, an agenda for the province of Ontario that will generate the economic growth and activity our children and our children's children can benefit from. We must create hope and prosperity in this province, and that's what we're attempting to do with our budget that was introduced last Tuesday.

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**The Acting Speaker:** Further speakers?

**Mr Jim Flaherty (Durham Centre):** It is an honour to have this opportunity today to speak in this debate about our much-needed and excellent budget. We have kept our commitments, the commitments upon which we were elected last June.

I've had the opportunity, since the budget was delivered by the Minister of Finance last Tuesday, to meet with the people in my riding, including the business people and other people. They agree with and support our economic plan for the renewal of Ontario. They agree we must get our province's financial house in order with a balanced budget over five years, including both spending reductions and tax reductions. I've heard general agreement with that concept of the balanced approach, not only in my riding of Durham Centre, which is of course the middle of the Main Street of Ontario. We all know that Highway 401 runs from Windsor to the Quebec border, and right in the middle of it, at the exit for Highway 12 and Whitby, is exit 410, the middle of Main Street, Ontario.

I've also heard that general agreement elsewhere. I've been privileged to be in northwestern Ontario as well since the budget was delivered and to attend meetings in Thunder Bay and also a town hall meeting in Marathon with the reeve of Schreiber and the mayor of Marathon and the reeve of Terrace Bay. In northwestern Ontario they also share the vision of our government of long-term economic growth that will provide secure, well-paying jobs, again going back to the balanced plan, the necessary balanced plan over five years of spending reductions and tax reductions.

There are concerns, of course, about the possible tax increases of school boards and some municipalities — only some school boards; some school boards are not increasing taxes. I think there's a general acknowledgment of the need for each level of government and understanding that the time has passed when one level of government blames another level of government about funding. As the Minister of Finance pointed out in the budget, over the period 1995-96 to 1998-99 the federal government will have cut payments to the provinces for health, education and social programs by 42.2%. The federal government will contribute \$1.2 billion less this year than last for health, education and social programs in this province. But our government is not taking issue

with that reality, since obviously the federal government has a fiscal house to get in order. There is only one taxpayer.

What is important is that the other levels of government in Ontario — the municipalities and the school boards — also look at and get their own fiscal houses in order, again examining their core businesses, looking at their priorities, setting correct priorities and realizing that one can do more with less, as this government of Ontario is doing.

We promised in the Common Sense Revolution a balanced plan over five years to balance the budget with tax reductions. The Liberals offered a similar program to be done in four years. This budget means that the people of Ontario can begin to rebuild trust in their political leaders, in the sense, of course, that we are keeping our commitments as we made them to the people of Ontario who elected us last June.

The themes that are in the budget presented last week relate first of all to keeping of commitments concerning taxes and the deficit, but also, and very importantly, the maintenance of priority spending with respect to health, education and community safety.

Second is the importance of creating stimuli for jobs, and those stimuli are in tax cuts; for example, reduction of payroll taxes, which are proven job killers.

Thirdly, in the budget there are innovative programs for job creation, including the encouragement of cooperative education by students in the community college and university settings, and also a stimulus for home construction by, for example, the reduction in land transfer tax for the next year for first-time buyers of new homes.

This is a turnaround budget for Ontario. It is an important part of our plan to restore jobs, hope, opportunity and prosperity. We are doing what we said we would do. This is the first income tax cut in a generation in the province of Ontario. Some view the phrase "tax cut" as an oxymoron, which is not surprising since a whole generation of persons has been born and raised in the province of Ontario without knowing what it is for a provincial government, an Ontario government, to reduce taxes.

The context of the budget presented last week is an economy that is growing again but one in which too many people are out of work and one in which the real standard of living of the majority of persons in Ontario has dropped over the past 10 years from 1985 to 1995. The people of Ontario — in Durham Centre, in northwestern Ontario, in Whitby and Oshawa — know that, and they know that from sitting at their kitchen tables and looking at their bills and looking at their paycheques and looking at the deductions and seeing what they have left month after month for their own expenses.

People know that their standard of living has dropped, and one of the major reasons is the 10 years of government, from 1985 to 1995, that spent and taxed and borrowed, those borrowings having to be repaid by us and our children and our children's children. The result is that in real inflation-adjusted terms — that's real money — the take-home pay of the average Ontario worker is lower today than it was 10 years ago in 1985.



That's not acceptable to us on this side of the House. We think Ontario can do better. We think Ontario can do much better. The people of Ontario want to know that tomorrow will be better than today for themselves and for their children. They want jobs. They want a government that creates the climate for job creation, that creates opportunity and where initiative is rewarded, so that finally, several years from now, with the spending reductions, the top marginal rate, unless the federal government tries to grab some more income tax in the meantime, in Ontario will drop below 50%, which many have indicated is the point at which there's significant taxpayer avoidance.

The main features of this budget:

First of all, the budget leaves more dollars in the hands of hard-working Ontario people, and that's obvious by the tax cut.

Secondly, there's the investment in priority programs: health, education and community safety.

Thirdly, there is the cost reduction and the reduction of the size of government.

Fourthly, there is the commitment to spend money more wisely; that is, the taxpayers' money.

In terms of the budget leaving more money in the hands of the working people of Ontario, there is the commitment for the tax reductions. There'll be more money in the hands of taxpayers, which they can spend themselves or invest or reduce their debt, which helps control interest rates and increases their purchasing power over time. Lower taxes encourage more investment. Reducing tax rates and the marginal rates to which I've just made reference makes Ontario a more attractive place for persons with special skills to locate, and we do have an urgent and growing need for skilled workers in the province of Ontario.

Secondly, this budget invests in priority programs. The spending on programs is \$42.7 billion. There is a movement towards balancing the budget by the fiscal year 2000-01, which was the commitment made. We are on track on our commitment to balance the budget over that period of time and to eliminate the deficit, which lays the groundwork for public debt reduction commencing after that fiscal year 2000-01.

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The budget creates the Ontario opportunities fund, which is an important fund in my view because it is a dedicated fund. From the contributions that go into that fund each year, at the end of each year the balance will be used to reduce the deficit and debt of the province of Ontario so that people will know that the funds that are saved, that go into that Ontario opportunities fund, are not being used as disappearing funds in the consolidated general revenue fund but rather will go directly to the reduction of the provincial deficit, and ultimately the provincial debt.

Federal spending reduction is in effect in the province of Ontario, with respect to which I have already commented and which is to be noted. Nevertheless the province can proceed, as it is, to get its own fiscal house in order.

Health care spending: The commitment by our party was to maintain health care spending at \$17.4 billion per

annum. In fact, health care spending is \$17.7 billion in the budget document. There are numerous investments and reinvestments being made, important for a number of our communities, including the city of Oshawa, part of which is in my riding of Durham Centre.

The province is reinvesting \$170 million this year to provide seniors and people with disabilities with care at home instead of in institutions; expanding a program to aid in the early detection and treatment of breast cancer, which affects 6,000 women in Ontario each year; providing funds to immunize all school children against measles, to immunize young people against hepatitis B and to immunize seniors and those at high risk against senior pneumonia; reinvesting health funds for the provision of 23 new magnetic resonance imaging machines, MRIs, in locations across the province, which will bring to 35 the total of such diagnostic machines across the province. It is to be hoped that the largest community hospital in Ontario, in fact the largest community hospital in Canada, Oshawa General Hospital, will be the recipient of one of the MRIs.

There is a commitment for the expansion of emergency paramedic services, and that is a problem in the middle of Main Street, Ontario, in Whitby where we have one part of the community served by fully equipped paramedic services and we have a division on the other half at Thickson Road, down the middle of the community, where the service is not the same and without fully equipped paramedic vehicles and paramedics. It is hoped that inequity in the great riding of Durham Centre can be corrected as well.

In terms of classroom education, there's the obvious need for fundamental reforms and significant reform in education financing, which has been commented on, and the commitment is there in the budget document.

There is the commitment for spending on nutrition and on speech pathology. This again is an example of the importance of certain priorities. We're all aware of the importance of young children with learning disabilities, or with slow development of speech, learning to speak so that they can enter the school system on some sort of even footing with children who do not suffer from such challenges in their early years, and of the absolute, crucial importance of speech pathology intervention in speech and reading taking place in those formative years of three, four, five and six. I'm proud of my government for committing those funds for that specific purpose of speech pathology, which shows a sense of appropriate priorities, in my view.

With respect to community safety, we have the benefit of the major capital investment program to modernize correctional facilities and courthouses. We need a courthouse in Durham region. That's well known. Durham region has a number of rented facilities all over the place. One would hope that in the fullness of time and in accordance with capital spending requirements Durham region would benefit from a courthouse at some point.

Expanded DNA testing is another community safety step outlined in the budget with respect to priorities for community safety, as well as more money for community crime prevention.



With respect to priority programs and creating the environment for job creation, it is to be acknowledged and realized that governments don't create jobs, that governments create the climate for investment and job creation in the private sector. But there are some steps that government can take to encourage job creation and encourage the training of a workforce that is suitable for the jobs that are created; for example, the cooperative education tax credit which was introduced in the budget, which is designed to encourage businesses to employ co-op students from colleges and universities. There is also the income contingent student loan program, which is still being negotiated with the federal government, to assist students in attending school.

With respect to job creation in transportation, there is the \$2.7 billion of capital spending, including \$60 million to municipalities for repairs of highways being transferred to municipalities, such as Highway 12 in Whitby.

With respect to other specific areas, there are the telephone call centres, new home construction, the benefits for the racing industry and the film and TV industry incentives. Also with respect to the creation of jobs there is the employer health payroll tax rollback for the first \$400,000 of payroll, which again is a job enhancement feature of the budget. There are also in the budget provisions respecting the cost and size of government and spending taxpayers' dollars more wisely.

In northwestern Ontario, where I had the privilege to be last week and will be later this week, I heard comments from persons about the Northern Ontario Heritage Fund Corp. Their concern related to the disappearance of funds into the consolidated general revenue fund. I'm glad the new opportunities fund will be a dedicated fund and that the northern Ontario fund is again going to be a dedicated fund.

As the minister noted in introducing the budget, the former government took \$60 million from the heritage fund on March 31, 1995. This money was specifically allocated to be used for the benefit of northerners. That has been repaid, according to the budget; over \$120 million, to be used exclusively for the benefit of the people of northern Ontario, the repayment including \$5 million in accumulated interest and, further, the commitment by this government to continue to provide \$30 million annually to the heritage fund.

Also, I heard favourable comments in northwestern Ontario about the commitment of a total of \$138 million to be provided this year for repaving and repairing northern roads, which is up \$40 million from 1995-96.

There is also the opportunity for public input with respect to certain specific matters raised in the budget presented by the Minister of Finance. The minister mentioned, and I think this is important, that all Ontarians are invited to provide the government with their suggestions as to those government services that should be considered for possible privatization and that there will be a means established to facilitate the provision of that input from citizens to the privatization committee.

Similarly, there is the Red-Tape Review Commission, which is chaired by the member for Lincoln. Again, that is mentioned as an opportunity for persons to have input about how they think the elimination of unnecessary

regulations can make government work better for Ontarians.

Also, there is the invitation with respect to the private-sector-financed equity funds, which are referred to in the budget, and that is a matter being dealt with by the parliamentary assistant for financial institutions, Mr Sampson, with Mr Spina, the parliamentary assistant for small business. These are all opportunities for input with respect to these important aspects of government in the province of Ontario.

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This is a government with a purpose and with a plan. This budget helps us achieve our purpose, our goal of an Ontario with more jobs, a healthy economy, lower taxes, a balanced budget, assistance for those in need and efficient government services. We believe in an Ontario society which, for the sake of our children and our children's children, not only believes in compassion and justice but also has the financial capacity to make it a reality. This budget puts Ontario back on track.

**The Acting Speaker (Mr Gilles E. Morin):** Questions or comments?

**Mr James J. Bradley (St Catharines):** I listened to the mythology that was forthcoming from the member, and it's perhaps because he's a new member, because I know he would not, as an honourable member of this House, wish to mislead the House. There's this mythology, and I must give the government political credit for doing it, that somehow there haven't been any tax cuts in the province in 25 years. I saw that even in a headline in the Toronto Star.

They have been quite successful in doing that, except that the Harris government is not, as some would like to suggest, delivering the first tax cut in 25 years. The New Democrats cut taxes by \$325 million in their last, 1994 budget. The Liberals of David Peterson cut taxes by \$12 million in 1990. In 1987, the Liberals delivered \$246 million in net tax cuts, as well as a \$6-million cut in 1986. The basic income tax has not been cut since 1972; however, income taxes for the working poor have been reduced numerous times, including 1989, 1990, 1991, 1992 and 1993. The Liberals cut corporate taxes in 1988 and 1990, cut individual health insurance premiums in 1986 and 1988 and eliminated them entirely in 1989.

The member may not have been aware of that, because if he had been aware of it, I know he wouldn't have said in his speech that this was the first time that a government had delivered a tax cut.

I think we have to watch for the mythology that's out there. It's pretty clever stuff by those who advise the Republican Party in the United States when they come forward with this, but it simply is not true. While they may talk about this tax cut, and they can do so, I just want them to be sure that my colleague for Scarborough-Agincourt will describe the history of tax cuts and tax increases over the last several years and will put it in accurate perspective, as I'm sure all impartial people in Ontario will agree.

**Mr Silipo:** I'm glad to just have a bit of time to reply to the member for Durham Centre, and I'm glad that the member for St Catharines pointed out one of the myths that this government has been perpetuating, that this is



the first budget that cuts taxes. As he has correctly pointed out, both of the previous governments, in a variety of ways, cut taxes. I won't belabour that point. I'll have a chance to talk a little bit more about that at some other point in the debate.

There's another myth that this government has been perpetuating which the member for Durham Centre repeated, which is that they, the Conservatives, are doing what they said they would do. I hope the member for Durham Centre has talked recently to the trustees of the Durham board. One of them said to me the other day, picking up exactly on the notion of there being only one taxpayer, which the member himself just talked about, that in fact that school board had to increase property taxes by somewhere between 2% and 3% to protect the basic services they're providing in light of the cuts that the Harris government has imposed upon that school board and indeed all school boards across the province. So we have another one of these myths that has been perpetuated, which is that this government is doing what it promised to do.

Well, it also promised to protect classroom spending. It promised to protect classroom spending from the cuts, as well as do the tax cut, as well as protect health care, as well as protect the justice system from cuts, and we've seen those promises breached, all with a view to maintaining the one and only promise that this government seems intent on keeping, which is the promise of the 30% tax cut. We're not going to quibble about the fact that you're maintaining generally that promise, but you are not maintaining the other promises that went part and parcel with that promise. Certainly in Durham the voters are seeing that exactly through property tax increases.

**Mr Baird:** I listened with great interest to my colleague the member for Durham Centre's speech when he talked about tax cuts, about how important it was to cut taxes to create jobs. I listened with even more interest to my colleague opposite from St Catharines talk about how neither of the previous governments had cut taxes. He went on to explain specifically how the Liberals cut taxes. I recall very well, as my colleagues on this side of the House would, they planned to cut taxes during the 1990 election. We on this side of the House remember that. It was about, oh, 13 or 14 days before election day and the Liberals had fallen 20% in half as many days, in just 10 days, and they had been converted to cutting taxes. Actually, they were cutting the taxes that they had themselves, only two years previously, increased. To suggest that the Liberal Party cut taxes by \$12 million is simply too much to take. They raised taxes 33 different times with one hand and then cut taxes by \$12 million with the other.

My colleague from Durham Centre, in his speech — his constituents and mine want net tax decreases. They want their taxes cut to create jobs and they don't want them raised 33 times with one hand and then cut simply once with the other.

My colleagues from the New Democratic Party — the member opposite indicated that they cut taxes, and indeed they did cut taxes. They increased them 32 times with the other hand. So that's not what the people of Ontario want. They want a good tax decrease to create jobs.

Knowing the political history as I do, I would indicate to the member opposite that he'd be one to listen and to look at the record of Premier Mitch Hepburn, who was a Liberal Premier. Premier Hepburn cut taxes because he said it would create jobs. He wanted to cut regulation because he said it would create jobs. He wanted to help the Ontario economy doing that, and I know my friends opposite will want to look at who was perhaps the father of the Common Sense Revolution.

**Mr Bruce Crozier (Essex South):** To my friends opposite, while we're speaking of the record, I'd like to compare the economic years of 1981 to 1985, which was PC, and the years 1986 to 1990, which were Liberal.

The unemployment rate per year for the PCs was 8.7%; for the Liberals, 5.9%. The number of jobs created per year: 64,800 for the PCs; 112,000 for the Liberals. Real GDP growth per year: 3.6 for the PCs; 3.4 for the Liberals. Deficits per budget in billions: \$2.7 billion for the PCs; \$2 billion for the Liberals. Growth in spending per budget: \$12 billion for the Conservatives; \$9.6 billion for the Liberals. Growth in debt per budget: 11.4% for the tax-cutting Tories; 5.9% for the Liberals. Revenue increases per budget in millions of dollars: \$576 million for the tax-cutting Tories; \$510 million per budget for the Liberals. Tax increases per budget: six for the Tories; 5.3 for the Liberals. Tax decreases per budget: two for the Tories; 4.3 for the Liberals, which results in a net of four increases per budget for the Tories and one increase per budget for the Liberals, for the record.

**The Acting Speaker:** The member for Durham Centre, you have two minutes.

**Mr Flaherty:** My friend opposite from Essex South conveniently omits the reality of the tremendous growth in the Ontario economy and the tremendous amounts of money that were flowing into the coffers of the government of Ontario from 1985 to 1990, despite the fact that during those five years they continued to increase spending 10% per year, an average of over 10% per year, over those five years, having never, apparently, heard of the concept of saving money for a rainy day. Spend, spend, spend. So when the difficult times came, from 1990 to 1995, our friends opposite in the NDP admittedly had a much more difficult time because that Liberal government failed to save the money for the rainy day that came in 1990 to 1995, making things more difficult for the government of the day at that time.

Having said that, the NDP government of that time, when the federal government reduced the level of income taxation for all Canadians, grabbed the entire reduction back from the people of Ontario so that the people of Ontario had no benefit whatsoever from a federal income tax cut that other Canadians who lived outside Ontario benefited from.

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My friend the member for Dovercourt talks about the Durham Board of Education and says they've increased their taxation rate by 2.75%. I can say that the Durham board went back and reconsidered that and thought about it again because of the importance of setting priorities, of examining their core services and of doing more with less. In the end the Durham board did decide to increase its mill rate by 2.75%, which I opposed. I made it clear



to the trustees — and I went to the meetings — that you don't just cut spending across the board; you have to set priorities, you have to ask the important questions, you have to do more with less.

**The Acting Speaker:** Further debate? The member for Scarborough-Agincourt.

**Mr Phillips:** I appreciate the opportunity to actually comment on Bill 47. For those who may be watching, we're on the budget bill —

**Mr Baird:** The budget bill you've been waiting for. You wanted it, you got it.

**Mr Phillips:** — the budget bill that the government's introduced at least, and I'd like to comment on the various aspects of the bill. Just to remember what's in it, this deals with the income tax, the employer health tax, the land transfer tax, the racetrack tax, the Retail Sales Tax Act, the Financial Administration Act.

Strangely enough, as you know, the Family Benefits Act, which has nothing to do —

**Mr Baird:** Page 53.

**Mr Phillips:** The member across says page 53. There are 33 pages in the budget.

**Mr Bradley:** He's interjecting as loudly as he laughs at the Premier's jokes.

**The Acting Speaker:** The member for St Catharines, the member for Scarborough-Agincourt has the floor.

**Mr Phillips:** The first comment I'd like to make on the bill, because it impacts on the whole issue of jobs, is that the government ran on a platform that its Common Sense Revolution, which is the bible, we know that, for the government members, would see 725,000 jobs created over the five years of their term.

We now find that the saddest part of the budget is on page 39 of the budget papers. We see, just to refresh our memories, that rather than the job creation the public thought was there with the Common Sense Revolution — this is 1998, I realize people at home can't see this. We actually see in 1998, three full years into the revolution, when the full impact of the revolution should have caught hold, if you can believe this and if the public can believe this, more people out of work in Ontario, more people without jobs, more people on the unemployment ranks than in 1995.

I know the Premier is fond of saying "those dark years" about the last 10 years. Well, it seems really odd to me that we would have a budget presented to us that would actually show more people out of work in 1998 than the year this government came into office.

Just as a small side issue, I opened my newspaper on the weekend and I saw the —

**Mr David Turnbull (York Mills):** Which newspaper?

**Mr Phillips:** It was in all papers. Well, it was in the Sun.

**Mr Baird:** You read the Sun?

**Mr Phillips:** In the Sun. I opened the Star and the Globe, and the government spent money everywhere. It was in all three papers. It was the budget plan. For those of you who saw the ad, at the bottom it said, "Phone for our job creation plan."

I said: "This is great. They haven't revealed this yet. I'm going to phone for the job creation plan." So I got on my phone, phoned the number. I must say that a very

pleasant person answered the phone, and I said, "I'd like you to send me the job creation plan." She said: "Well, actually there is no job creation plan. We'll send you the budget." I said, "But I thought there was going to be a job creation plan." "Well, it's the budget." I said, "I'm surprised you don't have a job creation plan." She said: "Frankly, those of us on the phones are a bit surprised too. We thought we would have a job creation plan we could mail out, but it wasn't there."

Then I asked the person, "Well, what is the job creation plan?"

**Mr Wayne Wettlaufer (Kitchener):** Your idea of a job creation plan was to spend —

**The Acting Speaker:** The member for Kitchener.

**Mr Phillips:** I appreciate that, Mr Speaker, because he's barking nonsense over here. I forget where he's from. I think it's Mr Wettlaufer from somewhere, who gets very angry when we point these things out to him. I know he doesn't like to hear it, but I have the microphone. Eventually, you may be allowed to speak, if the House leader will allow Mr Wettlaufer to speak. In the meantime, you can bark and I will ignore you.

Just to go on, as I say, I asked for the job creation plan. Then I said, "What are the elements in here on job creation?" The person, I must say, was very good, and said: "Here's another part. We are restructuring the public service." I said: "Doesn't that mean you're going to lay quite a few people off? Is that the job creation plan?" She said, "As a matter of fact, there have been a lot of people laid off in our department." I said, "That doesn't sound like a job creation plan."

My point is this: For a government that said, "We're going to be different" — I remember the now Premier railing at the NDP for spending money on advertising, and then we find out the government spent at least \$600,000 advertising this budget. I get on the phone to find out where the job creation plan is, and it's not there.

I would say the litmus test for the budget will be job creation. For whatever reason, the government's own numbers in here indicate, as I say, the job creation plan is failing. They said the plan would create 725,000 jobs. That's 145,000 jobs a year. Now we've got three years with fewer than 100,000 each year, for the first three years. That means, if you do the math, in the final two years the province has to see well over 220,000 jobs a year created. We're beginning to see the key promise unravelling before the government's eyes, without question.

For those of us who look at the numbers, and I think most members in the House are keenly aware and concerned about the numbers —

**Mr John Hastings (Etobicoke-Rexdale):** Digging a deep hole.

**Mr Phillips:** The government is digging. The member across the hall said, "Digging a deep hole." Already in 1996, the unemployment ranks have grown by 34,000. The problem is that the government plans, the amazing Common Sense Revolution, is not even seeing jobs created in Ontario at a fast enough rate to absorb those coming into the labour force, and I might add —

**Mr Bradley:** Unbelievable.

**Mr Phillips:** I don't know whether the member from — Mr Hastings —



**Mr Bradley:** I'm sure they'll let him on the list to speak.

**Mr Phillips:** He may eventually get to speak —

**Mr Hastings:** Look at April.

**Mr Phillips:** Here is the problem in April. The member says, "Look at April." Indeed, I look at April. Do you know what happened to the unemployed? There were 6,000 more people in Ontario out of work in April. In January, because you've asked the question, here are the numbers: in January, 24,000 more people out of work than in December.

*Interjection.*

**The Acting Speaker:** The member for Etobicoke-Rexdale.

**Mr Phillips:** In February, 7,000 more people out of work than in December. March was a month when the number of unemployed actually dropped slightly, and then April went up 6,000. There are 35,000 more people out of work than there were at the end of December, and by their own admission, more people out of work in 1998.

One of the reasons — my colleagues have mentioned this — we are apprehensive of the economic and fiscal plans of the Premier, Mr Harris, and the finance minister, Mr Eves, is because they were in government for four years, albeit 10 years ago. But, believe me, when they were in government — you don't want them to duplicate their fiscal and their economic performance then. That's why we're very suspicious of them. Unemployment rates running 9% and 10%, my colleague behind me pointed out.

I know the members in the caucus don't like to hear this, but it's important you realize that the past record of Mr Harris and Mr Eves in government is nothing you want to defend: the unemployment rate running at 8.7%; jobs created per year, 65,000; the real GDP, 3.6%; the deficit per budget, \$2.7 billion — almost 15% of the spending was in deficit; the growth in spending per budget, 12% — every year going up 12%; the growth in debt per budget going up 11%.

1700

Actually, for each of the budgets that they were previously involved in, the four budgets, the tax increases per budget were six. The biggest increase in personal income tax rate didn't occur under the Liberals and didn't occur under the NDP; it occurred when Mr Eves and Mr Harris were in government 10 years ago. I'm not sure the public are that interested in old squabbles of 10 years ago and what not, but it is important to remember performance.

I might add, interestingly enough, that there was a question the other day asked by one of the Conservative backbenchers on the teachers' pension. Let me just say that the reason for the incredible cost of the teachers' pension per year is because in 1975, to win an election, the then Conservative government introduced indexing for the pension and never funded it, never put the money in it from 1975 to 1985, and let the unfunded liability grow and grow. It was left to a Liberal government to put together a plan to pay off the unfunded liability.

**Mr Bradley:** Cleaning up the Tory mess.

**Mr Phillips:** Cleaning up the Tory mess, as my colleague says. In my opinion, it's one of the reasons

why we lost the election in 1990, because we were forced to deal with an unfunded liability that the previous Conservative government never chose to deal with.

**Mr Baird:** Oh?

**Mr Phillips:** There's a member across the way, I'm not sure from what riding, who is feigning surprise at this. Take a look at it. Trust yourselves to look at it. I guarantee you left an \$8-billion unfunded liability for indexing the teachers' pension that was 100% for the taxpayers to pay. You never touched it and required our government to deal with it.

I might add also that Darlington is another example. Darlington, for those not familiar with it, is a nuclear power plant, the biggest construction job in North America, going on for years and years, and not a penny of it was ever charged against the books. There was about an \$18-billion cost run up and then finally, when the thing started up, that's when the expenses started.

Because I know many of my colleagues across are interested in the finances, be careful. Don't assume that Mr Harris and Mr Eves are the fine money managers they would like you to believe.

I want to talk a little bit about the bill. This is background to the bill.

The first thing is on the income tax cut. I was mildly surprised, perhaps slightly pleasantly surprised. I believe the 30% tax cut is high-risk. I think it's fiscally irresponsible. I know this is for the commonsense true believers, the Tom Longs. I know Tom Long a little bit; a fine individual, but he has a completely different philosophy than me. But for the Tom Longs and what not, the 30% tax cut is the religion.

I know you're going to deliver that, I know you're going to deliver the 30% tax cut, because at the core, it ensures that — it has less to do with putting money in people's pockets and more to do with drying up the source of revenue for government so you can keep cutting back the level of support provided by government. It will be done. The 30% will be done. I have no doubt about that.

**Mr Baird:** You did during the campaign.

**Mr Phillips:** The member says I did.

About the 30% tax cut — I've told this story before — I remember when you brought the Common Sense Revolution out I was meeting with a group of 10 or 11, some Liberal but many non-Liberal, but just very good financial and economic people. I brought the Common Sense Revolution back in and I said: "What do you think about this 30% tax cut? What should our comment be?" They said: "It's fiscally irresponsible. It can't be done. It will collapse of its own weight. It is no plan to get the fiscal house in order. Leave it alone; it'll die." But it didn't. They got elected on that. But it is at the core of the Common Sense Revolution true believers, and I believe that, I completely believe that.

But we're beginning to see the real agenda, because I know you tried to sell it as a job-creating plan. This is the big job creation plan. I'll say two things about that. One is that I've noticed you've delayed the tax cut implementation.

**Mr Crozier:** Therefore the job plan is delayed.

**Mr Phillips:** Therefore the job plan's delayed. The member is shaking his head, but it was completely clear.



I can remember a neat video of the Premier, then in opposition, sitting in a living room saying, "In year 1, you'll be getting these tax savings in our very first budget, these tax savings in your pocket, starting in our very first budget." It was completely costed as taking place essentially April 1, 1996. We now find, for whatever reason —

**Mr Baird:** The first year of our budget.

**Mr Phillips:** The member says the first year of their budget. That's not the platform you ran on. I can recall during the campaign that this 15% would start immediately, April 1, and then would be phased in. The second 25% would come April 1, 1997, then April 1, 1998.

**Mr Baird:** Where does it say that?

**The Acting Speaker:** If you have any questions, the member for Nepean, wait for questions and comments.

**Mr Phillips:** I appreciate that.

But now we find, for whatever reason — I'm not sure what you were told at caucus. It must have been an interesting caucus meeting when the Minister of Finance said, "I'm sorry, we're going to have to delay the implementation of our tax cut." Many of you — I've been to meetings with you, actually, in the community where it's, "Well, 15% is coming immediately; you're going to get this raise right away." Now it's delayed.

We of course have some significant reservations about the fiscal sense of the 15% going to 30% tax cut, and we're finding that the financial markets have some significant reservations, but I'm very surprised that the Minister of Finance could ever get the caucus to agree to delaying the 15% to January 1. Again, if indeed this is the engine, this is the thing that's going to create jobs, it's going to be the engine for creating jobs — and not only that, it magically, absolutely magically, is going to fund itself.

**Mr Wettlaufer:** You can't have it both ways.

**The Acting Speaker:** The member for Kitchener.

**Mr Phillips:** Well, surprise, surprise. The financial people I assume have begun to bring some sense to the government and said: "Listen, this is fiscally irresponsible. You can't be cutting taxes by 15% and hope to keep your fiscal house in order. We're going to have to stretch this out for a while." As I say, I have no doubt that you'll implement the 30% close to the election so that the full impact of it fiscally won't be felt —

**Hon Mr Villeneuve:** You know we're going to do it. Of course you know.

**Mr Phillips:** The minister of rural affairs, rural destruction —

**Mr Bradley:** The minister of cutting agriculture.

**Mr Phillips:** — the minister who's cutting agriculture. On rural affairs, in the budget we now see half of the OPP detachments closing, which amazed me: "We ran on law and order. Half of the OPP detachments are closing." I was astonished at that, and if people still feel as safe when half of them are closed as they did before, I will be very surprised.

That's my first point on the tax cut. My first point on the tax cut is that I found it interesting you've delayed it. It confirms our suspicions that it is fiscally irresponsible. It must be mildly embarrassing for you because you said this is the one that's going to create the jobs, but I

suppose you can get away with it: "Well, you'll still get it. It's going to be nine months later than we thought." By the way, the second instalment, the next quarter of the tax cut, no mention of that. It looks to me like they may be delaying that.

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I think people out there have —

**Mr Bradley:** Come to their senses?

**Mr Phillips:** My colleague says, "Come to their senses," coming to their senses in recognizing that this is no way to get their fiscal house in order or to create jobs. If the agenda is as I believe it is, they'll do the 30% ultimately to dry up the source of revenue for the government. But we see that the tax cut is not creating the jobs we have been promised. As a matter of fact, as I say, we actually see the number of people out of work, by the government's own numbers, increasing substantially in 1996, 1997 and 1998.

**Mr Bradley:** These are their own figures?

**Mr Phillips:** Their own figures. I was interested to see the cost of the tax cut, because we on this side have been saying the tax cut is going to cost \$5 billion, fully implemented, and there's been some shaking of heads over there: "No, no, no." You now find, on page 22 in the budget, the confirmation that it will be well over \$5 billion. The numbers in here are, for the rate reduction, \$4.815 billion in 1996-97 terms, and as every financial person, economist and Ministry of Finance official will tell you, by the year 1998-99 that cost will be well over \$5 billion.

I must also say we were mildly surprised on the Fair Share health care levy to find that the fully annualized costs were \$260 million. The reason we were surprised was because in the Common Sense Revolution, which we do indeed read, it said, "Fair Share will generate \$400 million in revenue for the health care system." So something happened between the Common Sense Revolution and the budget. It went from \$400 million in the Fair Share health levy to \$260 million, a pretty dramatic decrease, in spite of the fact that this was going to be the thing that clawed back from the upper-income earners their tax break.

We now find that the Fair Share health levy is going to generate far less revenue than they had said, and sure enough, according to the government's own numbers, suspicions confirmed: If you make \$150,000 in this province, after the tax break, after the Fair Share health levy, you get a \$5,000 tax break.

**Mr Bill Murdoch (Grey-Owen Sound):** And spend it.

**Mr Phillips:** "And spend it," my colleague said. I will go back to a fundamental concern we have with the tax cut, and that is, if the deficit is such a huge problem and if the debt is such a huge problem that everyone in Ontario has to sacrifice —

**Mr Murdoch:** It's a huge problem. You know that.

**Mr Phillips:** It is a huge problem. I know that, the public knows that, and the public are prepared to deal with it. If it's such a huge problem, tell me again, how can the province afford to give someone making \$150,000 a year a \$5,000 tax break? Tell me, how is that possible if it is such a huge problem?



I realize it may be that these people are suffering, the ones making \$150,000. If someone on social assistance, a couple who are getting \$1,000 a month, have got to live now on \$800 a month, have to move out of their apartment into some other accommodation, move into a basement apartment or move in with family to fight the deficit, then maybe the government's saying, I gather, that many of those people have to go through that. Why? To fund a \$5,000 tax break for people making \$150,000. In fact, over half of the tax break will go to families making more than \$90,000 a year.

My point is this: How could we possibly believe that the debt and deficit is such a huge problem that everyone must sacrifice, but at exactly the same time we can afford a tax cut of that magnitude? I don't think the public can understand the logic of that.

**Mr Murdoch:** I think they do.

**The Acting Speaker:** The member for Grey-Owen Sound.

**Mr Phillips:** The member from Grey-Owen Sound, who is barking there —

**Mr Bradley:** Not from his own seat.

**Mr Phillips:** It doesn't matter where he's sitting. If you can explain to your community why, when the OPP detachment closes and half the OPP detachments are being closed around the province — to fund the tax cut. Over half the expenditure cuts go directly into the tax cut. Maybe you can explain why you ran on a platform of maintaining full funding for law enforcement and you're letting that happen. We see today the Attorney General's budget has been cut by \$116 million.

**Mr Bradley:** Wow. They won't be able to prosecute any more.

**Mr Phillips:** My colleague says they won't be able to prosecute any more. The Attorney General without question is looking at ways to prosecute fewer people, to have fewer people go to courts, in my opinion to back down substantially on the platform you ran on. The member for Grey-Owen Sound I know will be happy to defend that, when the courts in Owen Sound are prosecuting far fewer cases and when OPP detachments are closing in his area. He'll be very happy, I'm sure, to defend the Minister of Education's slashing support for elementary and secondary schools. Again you ran on a platform of, "We're not going to touch the classroom."

**Mr Bradley:** He said he was out of whack.

**The Acting Speaker:** The member for St Catharines.

**Mr Phillips:** The member for St Catharines said that the member for Grey-Owen Sound indicated the minister in that case was out of whack, and he is; it's out of whack with the campaign promises that you made. I remember them very well: "This plan guarantees full funding for health care, law enforcement and education spending in the classroom."

*Applause.*

**Mr Phillips:** Some members are applauding, but I think each of you now is beginning to see what the cost is of this tax cut for people who are making \$150,000 and you're beginning to see that you are now being forced to break your promise on law enforcement and you're being forced to break your promise on classroom education, and increasingly on health care.

I see in the budget that the health care budget shows \$17.7 billion. However, hospitals in our communities are facing cuts averaging almost 20% over the next three years. If you tell me that is not going to impact on health care in your community, then you haven't talked to your hospitals; you haven't gone over the impact of the budget cuts with your hospitals.

**Mr Murdoch:** I think Gerry Phillips should be the leader of the Liberal Party. "Higher taxes, increase the taxes," the Liberals say. No wonder nobody wants to be the leader of the Liberals. I understand why.

**The Acting Speaker:** Order. The procedures are very, very clear. There should be no interjections. I just want to advise you, the member for Grey-Owen Sound, to remain quiet.

**Mr Murdoch:** Jeez, I'm muzzled already.

**Mr Phillips:** I realize that the members may not like to hear all this because less than a year ago they ran on a platform of, "We're not going to touch classroom education." Virtually all of you now have begun to see that you clearly have cut right into the classroom. As a matter of fact, I was interested yesterday or the day before in the Minister of Transportation saying, "We are increasing funding for roads." Frankly, that is simply not the case.

1720

The budget must be wrong. The budget has to be wrong, because you will see that capital expenditures for transportation, the roads budget, in 1994-95 were \$1.757 billion, in 1995-96 were \$1.420 billion, and the 1996-97 plan is \$1.215 billion. They have cut \$500 million out of the transportation budget. I'll guarantee you, no matter what sleight of hand you go through, no matter how many times you say, "Well, we've got this fund for that," the public are not stupid. They know when you cut \$500 million from the capital budget for roads in this province that you are cutting the support for our infrastructure.

I think before the election Premier Harris, then Mike Harris, would sign anything to get elected. The Good Roads people have got a neat little document saying that he is going to increase support for infrastructure and roads. These documents don't disappear after the election; they're still lying around. People are beginning to say: "Whoa, I don't understand this. You said you were going to increase support for roads, and you've cut from \$1.757 billion to \$1.215 billion. That's \$550 million." You can't get away with it. The public simply are going to find you out, that you say one thing before the election and, we're now finding, quite a different thing after the election.

**Mr Murdoch:** What would the Liberals do anyway, other than raise taxes?

**Mr Phillips:** The member for Grey-Owen Sound is barking again, because he probably doesn't like to hear that the job situation is not near what you promised, with more people out of work, by far, in 1996, 1997 and 1998 than when they came into office; that on the fundamental commitments that they made on classroom education, on law enforcement — and no matter how you slice it on law enforcement, you're not going to tell people in this province when you close half the detachments, and actually the Solicitor General has cut his funding and the Attorney General has had his funding cut dramatical-



ly — that you are maintaining support for law enforcement in the province.

**Mr Bradley:** Was there any mention of lottery terminals?

**Mr Phillips:** My colleague mentions lottery terminals. I would say that the government is becoming really addicted to gambling revenue. I would also say that I remember — actually, the now Premier used to sit here and the now Minister of Finance sit there, railing against the NDP's casino plans. I think he even went down to Windsor, Mike Harris, and said, "I'm going to close Windsor and we're going to have a referendum." In fact, I would think much of the support for the Conservatives was because clearly if you were to say, "Which party is against this gambling?" it would be the Conservatives.

**Mr Bradley:** I'm telling the churches.

**Mr Phillips:** Many of the church leadership would have felt that way.

I don't think there's ever been a faster turnaround than the one we're seeing by the Conservative Party. I'll just go over it: the opening of two more casinos, and in rapid succession, and there was going to be the amazing province-wide referendum; 50, I believe it is, permanent casinos in the province, 50 brand-new mini-casinos.

**Mr Bradley:** Las Vegas North.

**Mr Phillips:** Las Vegas North.

**Mr Baird:** That's \$1 billion in revenue coming in.

**Mr Phillips:** But, you see, you all ran on a platform of a referendum, but now I guess you're all saying, "Well, we're all right with 50 new mini-casinos," permanent mini-casinos.

**Mr Murdoch:** What do the Liberals think of that? Liberals don't know.

**Mr Phillips:** Well, are you happy with that? I gather you are. You're happy with the 50 permanent — Mr Hastings is happy with it. It comes as quite a shock to many in the community, to many of the clergy, to many of the church community who felt you were people of your word. There would be a referendum, they would have a chance to campaign on it, they would have a chance to let their views be known. But no, we've now got three big casinos and 50 mini-casinos all opening up.

The legalization of video lottery terminals, slot machines — you see, here's the argument. I don't know whether the public are aware of how dangerous, according to people who know gambling, VLTs, video lottery terminals are. They are electronic slot machines. They are slot machines that just gobble up money and they will be a cash bonanza for the government. I'm convinced of that.

You must have had the experts on the VLTs come to your caucus and they'd say: "Your money worries are over. These things will bring in more money than you can dream of. As a matter of fact, they'll bring in so much money, we can fix the racing industry, you'll get lots of money, the charities will get lots of money, the anti-gambling group will get lots of money, the operators will get lots of money." There's only one loser in all of this: It's the people who go bankrupt throwing all that money into them.

The Minister of Agriculture, Food and Rural Affairs said: "Well, there were a lot of illegal ones out there, so

what are we to do? If there's this illegal work going on, we must legalize it." So the law and order, the tough guys have figured out a way to solve the illegal gambling out there: "We'll be the owners. We'll do it ourselves. We'll rake our own profit off it."

**Interjection:** Legalize crime.

**Mr Phillips:** That's right. "We'll muscle those crooks out and we'll take it over." And so you did. But I would say without question that on VLTs, anybody who's looked at them —

**Interjection.**

**Mr Phillips:** The member for Grey-Owen Sound wants to know, are we for or against them? We're agin 'em. You will find they will be a terrific cash bonanza for you. You're going to love them for a period of time.

I look at the budget and boy, I guess this solved Ernie Eves's problems. They allowed happy month. May is happy month around here. It is the good news month. It may be the only happy month in five years, but May is the good news month. I would be amazed if there are going to be any laid off. All the people who are going to be laid off, I would speculate, it'll come in June; all the cuts that came before will come after. May is happy month. There's another pothole filled this morning.

But what do we see now? The government is without question — page 66 for those following, and there's only one following it — but page 66 in the budget, and for those people who are worried about the government becoming addicted to gambling, you can see: Three years ago the revenue from gambling was \$600 million; now it's over \$1.3 billion, and that is only the start. I have no doubt. The experience in Alberta is this thing is a cash cow, without any question, and you will reap an awful lot of money from it.

But where is it coming from? Where does the money come from?

**Mr Murdoch:** The Solicitor General is here now. Maybe you'd like to tell him.

**The Acting Speaker:** The member for Grey-Owen Sound, I ask your cooperation and I hope you'll give it to me.

**Mr Phillips:** I know, as I say, the members don't like to be reminded of these things they said a year ago. The member for Etobicoke is sort of shaking his head, but a year ago: "Seven hundred and twenty-five thousand jobs. We're not going to touch classroom education. We're not going to touch law enforcement. We don't believe in casinos. We're going to have a province-wide referendum before we do them because they're evil." Now we have three big ones, 50 little ones, these video lottery terminals everywhere, and the government is now truly addicted to gambling revenues.

I would like to comment quickly on the Employer Health Tax Act. This is the removal of the employer health tax on payrolls.

1730

**Hon Bob Runciman (Solicitor General and Minister of Correctional Services):** How many tax increases did you have, Gerry? Talk about revenue appetites; you had an enormous appetite, an insatiable appetite.

**Mr Phillips:** The Solicitor General has arrived, the one who's going to close half of the OPP detachments. I



don't know whether he was around in 1981 or not. I carry this budget around with me, because there's the last time a Conservative government balanced the budget in Ontario; it says 1969. I carry that around because it is a myth, a complete myth — and Brian Mulroney proved it conclusively — that Conservatives are the great money managers. They're very good at rewarding their friends, and the tax cut will clearly reward your supporters, I have no doubt of that, but in terms of dealing sensitively with Ontario, I have some real reservations.

The employer health tax came as a mild surprise to us, because this was supposed to be one of the great job creators. This was going to be the thing that fixed jobs very quickly. Well, surprise, surprise. The previous government, in a tax cut, quite a significant tax cut actually for job creation, the NDP government in 1994 cut the employer health tax by \$300 million, quite a large tax cut. What for? If you hired somebody in this province, you did not pay the employer health tax for the first year on that employee. It was not a bad idea.

*Interjection.*

**Mr Phillips:** The minister of rural destruction should point out that you've taken that out. Essentially that's a tax increase. They took it right out of the budget. Now if you hire people in this province — well, they're shaking their heads. The NDP had that in. That was an incentive to hire people; you did not pay the employer health tax on a new hire. That's gone, completely gone. You no longer have that, which was an incentive, in the budget. I think the business community would say it was a great incentive, but it's gone. You don't mention it anywhere in the budget. You don't say, "We've cut that out." You never point out that that will mean you are going to get increased revenue of \$300 million because of that. It's one of those dirty little secrets that was never pointed out in the budget. You're going to get brand-new revenue of \$300 million from the hardworking, decent employers of this province. You don't mention that as a tax increase; you simply forget it. On the job creating side, that was one thing that I think all three parties probably, when it was introduced, said was a good idea. But it's gone, quietly gone. What's in its place? Strangely enough —

**Hon Mr Runciman:** Thirty-five thousand new jobs last month.

**Mr Phillips:** The Solicitor General says 5,000 jobs.

**Hon Mr Runciman:** It's 35,000.

**Mr Phillips:** No, you're wrong. You don't know what you're talking about. There we are; there's your own report. The Solicitor General says 35,000 jobs — he's wrong; 8,000 more jobs, 6,000 more people out of work. There's the problem. The Solicitor General doesn't know what he's talking about. If the cabinet don't know what they're talking about, we've got a real problem. He says 30,000 jobs. The Minister of Finance, May 10, points out 8,000 more jobs, 6,000 more people out of work. That's the problem, and somebody's feeding the wrong information. I don't know who's telling him. If Paul Rhodes is feeding the wrong information, it's time somebody went to cabinet and told them the truth.

I go back to the employer health tax, because the first thing you did was you took off — if you hired somebody new, which was an incentive to hire people, you didn't

pay the employer health tax. That's gone. You pay it all. Furthermore, I think most of us felt you were going to take the employer health tax off the first \$400,000 of payroll. Strangely enough that's not the case. For 1996 nothing is happening; I was surprised. In 1997 you'll begin to phase it in, and by the time 1999 rolls around it's fully implemented.

If you believe, as I do, that your fiscal plan is extremely risky, it strikes me as perhaps not a bad idea to delay it. But for those of you who ran on a campaign that this was going to be a job creator — "We're going to cut that first \$400,000 of payroll right away because it will create jobs" — you can see, I gather, that the Ministry of Finance doesn't think it's going to create that many jobs, because he's chosen to delay implementing it until 1997. You're beginning to be caught with your own inconsistencies.

**Hon Mr Runciman:** On a point of order, Mr Speaker: I want to put on the record that the major Ontario full-time employment was —

**The Acting Speaker:** I'm sure the minister knows extremely well that this is not a point of order.

**Mr Phillips:** I go back to the labour force statistics: 35,000 more people out of work in Ontario in the first four months; jobs, 8,000 more in April; 6,000 more people out of work. The problem with this government is that they choose not to deal with reality. That is reality. By the way, that's from the same Solicitor General who ran on a big law-and-order platform, and now we find half the OPP detachments closing. I'm going to find it extremely interesting, in your communities, how you defend that, how you defend half the OPP detachments closing when you ran on a big platform of law and order. I think the public will begin to realize the reality of it is that the platform was designed to find a 30% tax cut.

The Ontario Loan Act — by the way, I found the games that this government is beginning to play mildly amusing. I can remember that the then Conservatives in opposition used to accuse the NDP of playing games with the books and what not. What do we find now? We find a few things. One is that — surprise — the government went on a bit of a borrowing binge.

**Mr Murdoch:** How did we get into a borrowing binge?

**Mr Phillips:** You did. You went out and borrowed.

**Mr Murdoch:** Explain it then.

**Mr Phillips:** You came into the year with \$11 billion in liquid reserves, essentially cash. You've created a phony debt number.

*Interjections.*

**Mr Phillips:** You're going to have to look at it yourselves. You can see here that the debt goes up by \$4 billion and your deficit is \$8 billion. That's kind of odd. The deficit is \$8 billion and the debt is only going up \$4 billion. How could that be? Isn't that amazing? It's magic. It's because you pre-borrowed \$4 billion and you're simply using up the cash. It's actually a silly game you're playing to try and say the debt is not going up that much. I don't think they're getting away with it. I don't think the back bench is standing for it. I think the back bench will say, "Wait a minute, this is nonsense, trying to show the debt in this year going up \$4 billion when



it's clear it's going up \$8 billion." The answer from the Minister of Finance is: "Well, we played some games and we pre-borrowed \$4 billion. The real debt is going up \$8 billion."

I'd also say that the government was fairly clever. It went back — they call it "Restatement of Prior-Years Public Accounts" — and essentially took \$500 million of student loans, expenses that were going to come due in the future, and jammed them back into the books in the past. You can get away with that in the public sector, I guess; in the private sector you'd have some difficulty. They also did about \$200 million of grants to school boards, and this was really neat: The Attorney General, scrambling to find some money for the legal aid plan, went back and put \$100 million back into 1993-94.

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The reason I raise this is that sort of under cover the government went back and, against the dastardly NDP, wrote off \$500 million worth of student loans, \$200 million to school boards and \$100 million on legal aid, all designed to make the previous year's books look worse, to make this year's books look better. Without question. They've gotten away with it. I suppose it's good politics to do that when you can get away with it. But it understates the real increase in debt. The real increase in debt from this government that this tax bill deals with can be found on page 43. You can see the debt going \$8 billion, \$7 billion, \$4.8 billion, \$2.6 billion, a \$22-billion increase in the debt.

It goes back to the point I made before. If in fact the debt and the deficit are such a huge problem that you have to close half of the OPP detachments in the province, if in fact you've got to cut \$116 million from the Attorney General's budget, if you've got to cut classroom spending, if all of these things have to happen, how can the province afford a tax cut which, as it says here in the document, will cost \$5 billion when it's fully implemented? The fact is that we can't afford it. The fact is that it's being done to try to force more and more and more expenditure cuts.

I was intrigued with the Ontario opportunities fund. It's cute, but essentially what it says — it's no fund at all. It just says that if we better our deficit targets, we will use that money to reduce our debt. Well, that's obvious. What else could you use it for? That's self-evident. But I guess they think it's cute to set up something called the opportunities fund, and to whatever extent the deficit is beaten, is bettered, each year, that money will go to reduce the debt. It's obvious. That's obvious where it goes. It can't go anywhere else. It has to go to reduce the deficit; it has to go to reduce the debt.

**Hon Mr Villeneuve:** You found ways of spending it when you were in power.

**Mr Phillips:** I love the Minister of Agriculture. I don't know whether he was around in 1981-85 or not, but the budget's gone up 12% a year. You, at least Mr Eves and Mr Harris, took taxes up six times a budget, tax revenues up almost \$600 million, never balanced the budget, had deficits averaging \$2.7 billion. It is a joke to think they are the great money managers.

I actually have found one table in here fairly interesting: Ontario's deficit. You can see there that the only

surplus in the last 25 years in the province of Ontario was the last year of the Liberal government. Furthermore, I'll go on to say —

**Mr Murdoch:** You never showed the capital deficit.

*Interjections.*

**The Acting Speaker:** Order.

**Mr Phillips:** I know the members don't like to hear this, but if you don't believe others, believe your own budget. Look at the 10-year plan here. There's only one surplus in that budget, only one surplus.

The problem is, the members don't know what they're talking about. They say, "You've got to include capital." I hate to break the news to you: Capital is included. It's there. The problem is — I know you don't like to hear this — the last Conservative balanced budget was 1969, and frankly, your own plans say you're not going to balance the budget until eight months after the next election. That's why I urge the public to be extremely suspicious of the government's fiscal plans, because they've got a track record of not delivering.

I go back to leaving an unfunded liability in the teachers' pension of \$8 billion. I was amazed when one of your own members asked, "How did this mess get there?" It got there because you folks ran a campaign, you won an election on providing the teachers with fully indexed pensions, and you never funded them. It's all funny money to you.

You built the Darlington nuclear plant and never paid a penny on it until the thing was up and running. You left a \$17-billion debt for Ontario Hydro that Ontario Hydro is still struggling with.

I say to the members opposite, particularly in the back bench, be very careful of the cabinet's plans when they bring them to you.

As I say, I was interested to see you delay the tax cut. I was surprised the caucus never raised any fuss about it. I thought you ran on that as your great job creator. I don't think it is a great job creator, by the way. When people came to our finance and economic affairs committee to talk about the tax cut, without exception they said, "The problem with the tax cut is that the first thing it will be used for is debt reduction."

**Mr Murdoch:** It was either us or you, and look what happened.

**Mr Phillips:** Mr Speaker, I see you're almost coming out of your chair. The member for Grey-Owen Sound perhaps can bellow tomorrow or at 6 o'clock, but there are actually some of your members here who might like to listen rather than just simply listen to you bellow. If you want to bellow, why don't we wait for 15 more minutes and then you can just bellow on for about five or 10 minutes. I don't mind interjections that make sense. The problem with the member for Grey-Owen Sound is that they don't make sense.

I go back again to what is driving these tax cuts. Without question, it is the true believers in the Common Sense Revolution. I know the 30% will be there. It is a core belief, and it fundamentally will dry up the revenue of government.

What's the price we're paying? The price we're paying is probably best found on page 55, which is what's called the medium-term fiscal outlook. By the way, it was the

first time I've ever seen, in opposition, a government present a medium-term fiscal outlook that was not a medium-term fiscal outlook. It only has two years in here. Every budget that I've looked at in opposition has had at least three years. I know why it was only two years, because I think the government is fully aware that it is in trouble in the year 1998-99.

Here's the challenge. You've had the good news on the tax cut, and I suspect the majority of people in Ontario welcome the tax cut, but here's the price: First, by your own numbers, you've got to cut another \$3.2 billion out of the 1996 expenditures, \$3 billion the next year and \$1 billion the next year, approximately \$7 billion out of a budget of about \$30 billion. It's about 25% of the budget, exclusive of health.

I would say to the people of Ontario that when they begin to see their education system being attacked — and it is. The Minister of Education and Training barely got into the expenditure cuts, not even a quarter of the way along on his planned expenditure cuts, and there were howls across the province. There are at least two Conservative members in this Legislature who were howling the loudest. In fact, the member for Grey-Owen Sound was practising his howling on the Minister of Education. But you've only just begun the educational cuts. You are not even a quarter of the way along on your educational cuts.

On the OPP, I will be anxious to see the response when half the detachments in the province of Ontario close. I happen to live in Metro Toronto. I have had some experience with police stations closing, and I will just say that —

**Hon Mr Villeneuve:** You're fearmongering.

**Mr Phillips:** The Minister of Agriculture says I'm fearmongering. I don't think the people of Ontario regard the closing of an OPP detachment as good news. They will see those cruisers in that area far less, by definition.

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**Hon Mr Runciman:** What are you talking about? We're not closing any detachments.

**Mr Phillips:** The Solicitor General says what are we talking about. It's half the detachments in your own business plan.

**Mr Baird:** Do some more research, Gerry.

**Mr Phillips:** It's not mine; it's the minister's own business plan. I carry this stuff around; I actually read it. Half of the offices —

**The Acting Speaker:** Please address the Chair.

**Mr Phillips:** I appreciate that, Mr Speaker. It's like the Premier the other day, who is — he's rather unusual. That may be the safest language I can use. I really found it interesting. The other day he said, "The member," meaning me, "is all wet; his numbers are all wrong."

That was in anticipation of the budget. I then got the budget out and my numbers were all right. He seems to feel he can say whatever he wants and get away with it. The Solicitor General, in his business plan — I hope I can find it here. Well, I can. I'll take my time.

"Reducing administrative centres by one half, to about 80 to 85 locations." There are roughly 160 OPP detachments. I gather, unless the information that has been given to us is not correct, that they are going to cut 80 to

85 locations. I will be anxiously awaiting what that means.

The Attorney General said, "We are maintaining funding in the Attorney General's office." That's simply not true, unless the budget's wrong, but the budget shows the Attorney General spending —

**Mr Murdoch:** Time for a new research assistant.

**The Speaker (Hon Allan K. McLean):** The member for Grey-Owen Sound, come to order.

**Mr Phillips:** — \$900 million, \$799 million, \$753 million, \$637 million. In one year, the government has chosen to cut \$116 million from his budget. So what we're dealing with here in this budget bill — and I realize that many of the members don't like to hear this — is, firstly, your job forecasts are gone. They're gone.

Secondly, the two things that you said were your job creating engines — this is what we've heard from the government: "It is our tax cut that's a job creating engine. This is what's going to create jobs." Well, on the employer health tax, you have chosen to cut the one employer health tax element that was creating jobs in 1996. You cut the NDP's tax cut on brand-new employees. I'm surprised none of the caucus members stood up and said: "Gee, isn't that going to hurt small business, the people who are hiring these people? Isn't that going to hurt us?" Apparently not. You have nothing in the employer health tax for employers in 1996. I know you promised the small business community you were going to do it but, for whatever reason, you've delayed that. You can't afford it, I gather.

Secondly on the tax break, you have said this is your big job creator. If it is your big job creator, why the delay? Why have you delayed it until —

**Hon Mr Villeneuve:** It's in the Star.

**Mr Phillips:** The member is holding up the Ontario economy. I'm always amazed at the minister of rural destruction. The economy in Ontario last year grew by about 2.9%. I'm not sure —

**Mr Baird:** Rebounded in the second half.

**Mr Phillips:** Yes, it grew by 2.9%. Amazingly, the first full year of this government, when the Common Sense Revolution kicks in, the dreaded NDP is gone, you're showing growth dramatically less than that. I don't understand that. If things are supposed to work under you, tell me again how we could see growth under the dreaded NDP in 1994 —

*Interjections.*

**Mr Phillips:** No, no. I think you — no, no. Growth in 1994 of 5.5% and in 1995 of 2.9%, and then the Conservatives get in, and suddenly what happens? Growth goes down. I don't understand this.

*Interjections.*

**The Speaker:** Order. Would the House come to order. I'm having a tough time to hear the member.

**Mr Phillips:** Thank you, Mr Speaker. Does the public not begin to shake their heads? Wait a minute. There was more growth in 1994 and 1995, when the NDP was around, than in the years with the new Conservative government? I thought good times were going to roll, but they're not. Here's the problem —

*Applause.*



**Mr Phillips:** The people at home are watching the government proudly clapping with less growth in 1996 than last year, less growth by far than in 1994, and not only that, but proudly saying there are going to be 25,000 more people out of work in Ontario in 1996 than there were in 1995. So this is exactly —

**Hon Mr Runciman:** Who does your research?

**Mr Phillips:** The Solicitor General says where did I get the research? I'll tell you exactly where I got it — from your budget. The Solicitor General wants to know where it comes from. Read your budget, and what that shows is growth going down. What is happening with you people? Why is growth going down? You had some nasty things to say about the NDP, but its growth was dramatically better than you're predicting. You are predicting more people out of work in 1996 than in 1995.

**Hon Mr Villeneuve:** The love-in is on.

**Mr Phillips:** That is my point. My point is that the Common Sense Revolution is beginning to be shown for what it is. It's a fraud.

*Interjections.*

**The Speaker:** This is awful, awful. Would the members please come to order. The member for Scarborough-Agincourt has the floor.

**Mr Phillips:** I appreciate that, Mr Speaker. This is not the news they like to hear, but it's the news. Tell me again why the public should like this revolution. Tell me again. The economy is going to expand less in 1996 and 1997 than it did in the previous two years. There are going to be more people out of work; by your own numbers, 25,000 more people out of work in 1996 than there were in 1995.

**Mr Baird:** Wrong, wrong.

**Mr Phillips:** Well, we're now seeing cuts in classroom education, we're seeing cuts in law and order, and I'm seeing cuts in health care, significant cuts in health care. These were things you said would never happen. The embarrassment of the revolution is beginning to be felt.

I understand that the Tom Longs of this world love the revolution because, once and for all, they're going to be able to impose their agenda on the people of Ontario: a

dramatic cut in revenue. The 30% tax cut is first and foremost about drying up the source of revenue for the government, and if the back bench doesn't believe that — maybe some believe it, but that's what it's all about. It's not about putting money into people's pockets to get the economy going. If it were, you wouldn't have backed off on your tax cut, if that's what it was all about. If it were, when you cancelled the NDP's employer health tax holiday, you would have substituted something else. No, no, this is all about, as I say, fundamentally changing the face of Ontario, fundamentally changing —

*Interjection.*

**Mr Phillips:** Yes, I know, and some of the members proudly want to do that. I am against you, just so you're clear. I think your plan is wrong. I think you're going to do incredible damage to the province of Ontario. I think the 30% tax cut is folly.

**Mr Murdoch:** You have no idea.

**Mr Phillips:** You can have your own beliefs.

I'm beginning to see the impact of it: much lower growth in 1996 than in 1995 and 1994, and this when, presumably, the full impact of the great Common Sense Revolution is taking hold; more people out of work, substantially more people out of work in 1996 than in the previous years; people beginning to feel the real cold, hard face of the Common Sense Revolution.

I'm mildly surprised that a few more of the back bench aren't saying: "Wait a minute. Are we sure that this thing is on the right track? Are we sure? If we believed in the tax cut, that it is going to create the jobs, tell me again why we're backing off on it."

I also say on the elements of the bill that deal with the Fair Share health levy —

**The Speaker:** Would the member find an appropriate time to wrap up.

**Mr Phillips:** I still have 20 minutes left and I'd be happy at this time to adjourn the debate.

**The Speaker:** It being almost 6 of the clock, this House stands adjourned until 1:30 of the clock tomorrow.

*The House adjourned at 1801.*

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of Ontario**

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**Official Report  
of Debates  
(Hansard)**

**Journal  
des débats  
(Hansard)**

**Wednesday 15 May 1996**

**Mercredi 15 mai 1996**



**Speaker**  
Honourable Allan K. McLean

**Président**  
L'honorable Allan K. McLean

**Clerk**  
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# LEGISLATIVE ASSEMBLY OF ONTARIO

Wednesday 15 May 1996

# ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

Mercredi 15 mai 1996

*The House met at 1333.  
Prayers.*

## ESTIMATES

**Hon David Johnson (Chair of the Management Board of Cabinet):** I have a message from the Administrator of the government signed by his own hand.

**The Speaker (Hon Allan K. McLean):** The Administrator of the government transmits estimates of certain sums required for the services of the province for the year ending March 31, 1997, and recommends them to the Legislative Assembly.

## MEMBERS' STATEMENTS

### DIRECTED BLOOD DONATIONS

**Ms Annamarie Castrilli (Downsview):** I'm rising today to address a matter of grave concern to many people in this province: the issue of directed blood donations. The matter was first brought to my attention when one of my constituents came to see me about their son, Ryan, who is 17 months old and is facing serious heart surgery. Ryan's parents, Nat and Margaret Chiefari, would like to donate their blood for their son's operation, but have been told that it is not possible.

Ryan and his parents are here today in the gallery because they have a plea to make: that they be able to donate their safe blood for their son's operation.

Directed blood donations are not an unknown. They exist throughout the United States and closer to home. Only a few weeks ago, Justice Claude Benoit of the Quebec Superior Court ordered the Red Cross to accept the blood of the parents of Antoine Bruneau-Quinal for use in their son's operation.

I've spoken to hospital administrators, who are not opposed to directed donations but simply require Red Cross approval to proceed. Even the Red Cross is supportive, claiming that it would be willing to allow direct donations in certain situations "where the provinces support them as a matter of health policy."

The hospitals, the Red Cross and, most importantly, people like Ryan are waiting for action. The matter for Ryan is urgent, since he is scheduled for surgery on June 4. We hope the Minister of Health will act immediately to look at guidelines which will facilitate direct blood donations in Ontario.

## DISCRIMINATION

**Mr Rosario Marchese (Fort York):** The other day, I asked a question to the Minister of Citizenship, Culture and Recreation about a study it had funded which found

that, "Four out of 10 Chinese Canadians in Metro have encountered at least one incident of discrimination in the mainstream workforce." It found as well that, "The poorer their English, the more likely they are to experience discrimination." Further, the study found "unfair work assignments or assessments because of ethnocultural background; racist remarks; being treated differently by the bosses; being bypassed for promotions." It further found "unfair performance appraisals...isolation from workers and bosses and lack of recognition and reward for a job well done."

The answer I got from her with respect to the study was, "First of all...discrimination is against the law in this province"; secondly, there's an equal opportunity plan that they have that presumably deals with this; thirdly, the Human Rights Commission and the Human Rights Code were to be reformed.

The Chinese Canadians who called me understand that discrimination is against the law. They know it is, but in spite of that, discrimination continues. They're worried that this equal opportunity plan means nothing more than the words "equal opportunity," that they're going to continue facing discrimination. They're afraid that because you've taken away all the tools to deal with that, they will continue to suffer the injustices in the workplace. Something needs to be done. They're keeping an eye on this minister and this government.

## ROYAL WEEK

**Mr Harry Danford (Hastings-Peterborough):** I rise to inform all members of the House that we are in the middle of Royal Week, 1996. Organized by the Monarchist League of Canada, Royal Week precedes Victoria Day, on which we honour the birthday of the mother of Canadian Confederation, Queen Victoria. On that day, the Dominion of Canada celebrates the birthday of our reigning sovereign, Queen Elizabeth II, the Queen of Canada.

This year, we celebrate the 70th birthday of our Queen. We remember with heartfelt gratitude her more than 40 years of devoted service to Canada. For us, it is also important to reflect on the multicultural panorama that comprises the Queen's ancestors, including 40 different Asian, African and European backgrounds. Her Majesty also has Jewish, Muslim and Christian forebears. At the time of her 1986 visit to China, the media there asserted her descent from the T'ang dynasty of Chinese emperors. As the head of a multicultural nation like Canada, the Queen maintains us all in direct contact with the mainstream of our historic roots in a tangible way.

During Royal Week, when so much is being said about the issue of national unity, governments at all levels should reflect on the historic unifying role the crown has



played in our history and can play again today if we but give our royal traditions a chance. God save the Queen.

#### ST JUDE'S CATHOLIC SCHOOL

**Mr Jean-Marc Lalonde (Prescott and Russell):** It is with great pleasure that I ask for your attention to the east gallery in order to present to you, Mr Speaker, and to the members two grade 5 students from my riding, Nick Trottier and Josée Goulet.

Nick et Josée fréquentent l'école St Jude de Hawkesbury. Ils ont été choisis pour venir passer deux jours à Queen's Park, non pas parce qu'ils sont les meilleurs étudiants de leur école, mais plutôt parce qu'ils sont les deux étudiants qui ont démontré le plus d'amélioration au niveau de leurs études au cours de l'année scolaire. Félicitations, Nick et Josée, pour vos efforts.

Also, I selected students from St Jude's school because it is an institution where I have witnessed some of the worst conditions. The school is in fact a renovated hockey arena with many portables. Classes are very crowded, and although enrolment is expected to increase next September, the government still refuses to give its blessing for this previously approved construction project.

Teachers and parents are shocked since the moratorium on all capital projects from the Ministry of Education and Training. We hope the ministry's position in this matter will be reviewed soon and that the construction of this much-needed school will be permitted to go ahead as planned.

1340

#### WOMEN'S MARCH AGAINST POVERTY

**Mr Howard Hampton (Rainy River):** Yesterday was the start in Vancouver of the Women's March Against Poverty. "The march for bread and roses, jobs and justice" recognizes that more and more women are being driven into lives of poverty by right-wing governments which slash services women fought so long and hard to establish, services that make our communities better places to live.

Thousands of women are marching from Vancouver and, later this month, from the east coast to arrive in Ottawa on June 15. Women across this country want a chance to make their voices heard. But this march against poverty could just as appropriately have been kicked off on the steps of the Ontario Legislature. No government has attacked women with the zeal that this government has.

Just this week, we learned of cuts to policing in our communities. Cuts to police services and crime prevention at the same time this government is slashing funding for second-stage shelters and programs to prevent violence against women is more than just another broken promise; it's a direct attack on the most vulnerable in our society: women and children.

On Monday, the labour minister announced the gutting of the Employment Standards Act, which will hurt the most vulnerable and lowest-paid workers: women.

There's much more. When the Women's March Against Poverty arrives in Ontario on June 1, I look forward to welcoming the marchers to my constituency in

northwestern Ontario. I encourage all women in Ontario to participate —

**The Speaker (Hon Allan K. McLean):** The member's time has expired.

#### SOCIAL ASSISTANCE

**Mr Tim Hudak (Niagara South):** In the past 10 years, Ontario's welfare system has changed from a safety net to a web that entraps far too many people and their families in a life of dependency and hopelessness.

In just over 200 days of this government, social assistance rolls have decreased by over 130,000 individuals.

I held a meeting last night, in fact, in Port Colborne to discuss local implementation of Ontario Works, our mandatory work-for-welfare program. It was a good session, and I plan to have another tomorrow night in Fort Erie.

Now that we are making progress finally in the fight against dependency, I would have expected that the opposition would agree that we are taking a common-sense approach to welfare reform. But judging by what I've heard from a by-election campaign in York South, this is, disappointingly, not the case. The Liberal candidate there, Gerard Kennedy, has indicated that he would actually favour raising taxes to keep welfare rates high.

The Liberals have not supported our efforts to make this essential reform to our welfare system in the past, and it's continuing in York South. Gerard Kennedy, their candidate in the York South by-election, has stated publicly that he does not support mandatory work for welfare.

This government is doing what it said it would do: We're cutting income taxes to create confidence, investment, growth and jobs for a change. We support mandatory work for welfare, and we support a tough stand on crime. Rob Davis is listening to the people of York South and has a proven record supporting these crucial issues. I look forward to welcoming him to our caucus soon.

#### LAW ENFORCEMENT

**Mr Joseph Cordiano (Lawrence):** It is clear that this Conservative government has decided that fighting crime is no longer a priority of the highest order. The Tories obviously believe that maintaining law and order is no longer the exclusive purview of government. Ontarians are being told by the progeny of the Tory Family Compact sitting smugly across the aisle that fiscal probity outweighs safety and security. How else could the government explain its musing about the possibility of not prosecuting all economic crime such as break-and-enter?

Already there is clear evidence that the Harris government will break its election promise not to cut law and order. The budget offers proof that some \$139 million are to be cut from policing and the justice system and \$658 million in cuts to transfers to municipalities, which will force them to either increase property taxes or cut the number of police officers.

This is just the beginning, because I believe there is an even more sinister plot afoot here. I believe this govern-



ment's real agenda on law and order, like in so many other areas of public administration, is to get out of providing the kind of public service we in Ontario have been developing over generations.

This Tory government will go as far as creating a two-tiered system of law enforcement and public security. If you can pay for it, you will get it. And we will begin to see the walled communities spring up everywhere in this province. It is the Americanization of Ontario. It is the end of our way of life.

### EDUCATION FINANCING

**Mr Peter Kormos (Welland-Thorold):** Mr Speaker, you will recall me coming into this Legislature wearing a pink ribbon and explaining to you and everybody else here that this was part of the movement being led by young people, students, in the Niagara region and especially across Niagara south, the pink ribbons representing the pink slips that this government is handing out to hundreds of teachers in the Niagara region alone and to thousands of teachers across this province.

These young people, who are present in the members' gallery today, are representing students at Welland Centennial Secondary School, Port Colborne High School and Steele Street School in Port Colborne.

These young people are leaders in their school communities, leaders in their neighbourhoods, who have developed a strong consciousness of what these types of right-wing cuts mean in terms of their futures and the futures of their children. They understand that they're being confronted by a government that with an economic violence that's unprecedented is attacking quality education that has been built by their parents and grandparents over a succession of decades, with great commitment, great sacrifice and great struggle.

These young people aren't about to take it lying down. These young people have organized, they've led marches, they've attended at their boards of education. They've made it clear that they're committed to the kind of Ontario their parents and grandparents sacrificed so much to build for them. They've made it clear that they're not going to take this privatization orgy, this attack on quality education, indeed the attack on health care or the attack on security for Ontario citizens.

**The Speaker (Hon Allan K. McLean):** The member's time has expired.

*Interruption.*

**The Speaker:** Order. There can be no demonstrations in the galleries, please.

### YORK SOUTH BY-ELECTION

**Mr Bill Murdoch (Grey-Owen Sound):** I rise today to talk about the clear direction this government has taken on taxes and deficits.

This government recognized the high taxes and deficits that the Liberals and NDP saddled our province with were unsustainable. The opposition record is clear: 65 tax increases, tripling the debt, deficits in the billions, and as a result less opportunity for jobs, growth and investment that Ontario deserves.

But from an all-candidates meeting on Monday night for a by-election in York South, it seems that the Liberals

have not learned anything about their experience. Let me quote from the Liberal candidate, Gerard Kennedy. In his own words, when asked if he would support putting taxes back up in order to spend more money on welfare, Mr Kennedy replied, "Yes, I would." When asked if he would favour adding to the deficit, he said, "That's correct."

It is clear that Mr Kennedy's solution to the problems faced by York South is to return to high taxes and unmanageable deficits. But in the last 10 years, the city of York alone lost 29% of its manufacturing jobs and 15% of the total employment because of the tax-and-spend policies of the Liberal and NDP governments. He doesn't offer a clear vision for the future with a plan that people support; he offers a return to high tax, high spend, high deficit days which he himself has criticized.

After 10 years of mismanagement, you would think the Liberals would have learned that the reckless tax-and-spend approach simply doesn't work. It kills investment, it kills jobs, it kills growth.

There is one candidate in the election who believes that tax cuts for jobs, mandatory work for welfare —

*Interjections.*

**The Speaker (Hon Allan K. McLean):** The member's time has expired.

**Mr Bud Wildman (Algoma):** On a point of order, Mr Speaker: Could you indicate to the members of the House what rule allows for instant replays of statements?

1350

### STATEMENTS BY THE MINISTRY AND RESPONSES

#### ONTARIO WEB SITE

**Hon William Saunderson (Minister of Economic Development, Trade and Tourism):** I'm pleased to say that Ontario has entered cyberspace big time. Through the electronic information highway my ministry is telling millions of Internet users about Ontario's extraordinary investment opportunities, as well as the province's exclusive tourist attractions.

The Ministry of Economic Development, Trade and Tourism has taken the lead role in designing a one-of-a-kind Ontario-Canada Web site capable of riveting the attention of millions of Internet users.

At a special presentation of Ontario's Web site earlier today, I invited the private sector to join us in building on the Ontario-Canada site as a significant international marketing tool. I invite members of the House to help us re-establish Ontario's pre-eminent position as the greatest place to live, work, learn, visit and do business.

We have established a welcoming electronic gateway into our province for the growing millions of individuals, corporations, organizations and governments that share information daily on the Internet. Ontario's Web site is accessible, informative and interactive. That means the world will more easily learn about Ontario's advantages, its people, its economy, its dedicated, hardworking workforce, its breakthrough technological advances, its exciting achievements and its promising future.



A special interactive feature allows users to obtain direct answers to specific investment and tourism questions. A "Breaking News" page on the Web site home page carries news on cutting edge business developments in the province. With the addition of the extensive database of the Ontario investment service, Ontario's Web site becomes one of the most comprehensive sites available.

Through the "Links and Gateways" icon, the Web site user has direct access to municipalities, the federal government, tourist attractions, and public and private sector organizations. I believe that the Ontario-Canada Web site distinguishes this province as the economic powerhouse of Canada and a soon to be unsurpassed place to live, work, learn, visit, invest and do business. Indeed, Ontario is open again for business, at last.

Each member will receive materials from my ministry that outline more details about the new Ontario-Canada Web site. I invite members to pay an electronic visit to Ontario at [www.Ontario-Canada.com](http://www.Ontario-Canada.com).

**Mr Dwight Duncan (Windsor-Walkerville):** We welcome the government of Ontario entering cyberspace, but over the course of the last few months they seemed to be locked somewhere between virtual reality and the ozone.

I'd like to talk for a few minutes —

*Interjections.*

**The Speaker (Hon Allan K. McLean):** Order. I can't hear the member. Would the House please come to order.

**Mr Duncan:** I'd like to talk for a few moments about the things you won't see on the Web site, about the messages the government won't be giving to people, like people in York South who don't trust you with their children's education. They don't. They know you've cut \$400 million from schools. Like these young people who visit us today, they know the capital requirements to make our schools competitive and the best in the world aren't there. At a time when governments around the world are investing in education, you're cutting in education. Shame on all of you.

That ought to be on the Web site. Young people need it. When the people of the United States are committing to bringing their schools on line, you've cut capital funding for two years, at least, for all our schools.

Let's talk about health care, because the people of York South don't trust you with our health care system. They are saying that at the doors. They know you've broken your commitments on health care. They don't buy the line that you're reinvesting because they know you're not. They know the \$1.3 billion in cuts could force the closure of Northwestern hospital and that would be a shame in that riding, just as it will be a shame in other communities where your slash-and-burn policies won't bring about better finances, but will bring about instability in our economy, a loss of jobs and deterioration —

**Mr Chris Stockwell (Etobicoke West):** You know the best thing that could happen to you? Gerard Kennedy could win.

**The Speaker:** The member for Etobicoke West, come to order.

**Mr Duncan:** So the people of York South and across this province do not trust this government with their health care, and, we submit, for very good reason.

Let's talk about crime and about the ability to fight crime in this province, and let us talk for a moment about broken commitments. Let us talk and let us acknowledge that this government has cut \$139 million from front-line policing. There will be fewer police officers, there will be more crime, and ultimately there will be more problems for the people of York South and virtually every other urban community in this province. You've broken your commitment, and they don't trust you on crime-fighting. They know that when push comes to shove, you can't be relied on to increase protection. They know that.

Let us talk about rent control for a minute. That is an issue of great importance in the riding of York South and indeed in most of the major urban centres in this province. One minister says one thing; yet another says another. The only thing that is clear is that you don't know what you stand for, and tenants don't trust you and they ought not to trust you.

**Interjection:** Put that on the Web site.

**Mr Duncan:** Rent control ought to be on the Web site and you ought to come clean on what your position is, because when we're in York South, the people there won't vote for your candidate, because people living in apartments know you can't be relied on to protect their interests.

What about jobs? Mr Speaker, they said 725,000 jobs in the Common Sense Revolution, and they've now acknowledged in their own document that even with relatively robust growth of the economy, they cannot possibly deliver on it. They're going to cut 10,000 at least in our own public service that will affect the people of York South. So this government isn't trusted by the people of the province of Ontario. You won't see that; you won't see that on the Web site. You won't see the fact that they cancelled the Eglinton subway to York South and to the west of Toronto and 3,000 jobs to that community. You won't see that on the Web site.

Finally, lots of people will log on to the Web site, and they're going to send back a message to this government. They're going to send back the message that you're hurting our children, you're hurting our health care system and our education, you're not creating jobs, you're putting this province at great risk. The people of York South will give you a very clear message next week that it isn't working, and we'll stand right behind them all the way.

**Mr Tony Silipo (Dovercourt):** When I was told that the Minister of Economic Development, Trade and Tourism was making an announcement today, I thought: "Well, that's good. We're going to hear finally how the government is going to achieve its objective of 725,000 jobs. Finally the minister is going to give us the game plan that will explain to us how they're going to do that." And I was told, "No, no, it's not about jobs."

Then I thought, "Well, let me look through the announcements that the Minister of Finance has made." And I thought, "He did say in the budget statement that the Minister of Economic Development, Trade and Tourism would be making two important announcements in the days to come, one dealing with partnerships for jobs and growth. Maybe that's what it is." I was interested to see how the minister was going to repackage



some of the services and programs that he's cut into a new program. But it isn't that either.

When I was told it had something to do with telecommunications, I thought, "Well, finally he's going to tell us about the telecommunications access partnership strategy," again a repackaged and retitled initiative that we had started, but it isn't even that.

What we hear about, of course, is the establishment of the Web site. How can any of us be against the establishment of the Web site? Of course we think it's a good idea. We welcome this. We welcome this as a continuation of work that we had begun.

1400

But I have to say to the minister that when he says that part of the information that's going to be available through this service is under the category of "invest in Ontario," it's going to show how Ontario offers the most generous research and development support in the world, I wonder, Minister, if it's also going to indicate the serious cuts that you've made to exactly those investments and those support opportunities for business.

I wonder, when you talk about the diversity of the economy and the strengths that we have within this society and within Ontario as being a good place to invest in, whether you're also going to have information on the Web site that will point out how piece after piece you are dismantling the very fabric of this society and you are tearing apart the many things and the exact things that you are claiming make this place a good place to invest in.

I'm particularly interested in one part of this, called "Breaking News," which says it's going to carry fresh new summaries from government, industry and — get this — opinion-makers. I have to ask myself, who are those opinion-makers going to be? Will this be used as simply another way for the Mike Harris view of the world to be expounded through the Web site, as if they don't do enough through other vehicles?

We'll be watching. Certainly we believe in the use of the Web site. We believe in the use of the technology as we've been not only suggesting but in fact implementing during our course of government. But we also say again to this government and to this minister that you cannot achieve the overall objective that you have set for yourself, which I remind the Premier and the minister they have said was the overall objective of the Common Sense Revolution, which was to create jobs, if you also continue to insist on taking an approach that says that government simply should get out of the way, that you have no role to play to work with business and to work with labour in creating those opportunities and creating that climate.

That is something that we will continue to remind this minister and this government about because this is going to be, at the end of their mandate, their one, overarching failing grade and I expect to see with all of the information that they want to put through this Web site, that at the end of the day, when Mike Harris will not have fulfilled that basic promise to Ontarians that the last piece of information we will see in this Web site is his letter of resignation.

## SPEAKER'S RULINGS

**The Speaker (Hon Allan K. McLean):** I would like to deal briefly with a point of order raised by the opposition House leader as to whether a minister who makes reference to a document during a speech is required to table that document in the House.

It is my understanding that the question before us is not whether the minister has made reference to a document but whether the minister has cited or quoted from the document. I would submit to you that ministers may make reference to any document they please, as do other members in the House. However, if the minister has cited or quoted from a public document, then the minister should, as a courtesy, table that public document in the House so that all members may have access to it.

It should be mentioned here that since this House deals only with public documents in its proceedings, this ruling applies only to those documents and not to any private documents or correspondence. This does not preclude the minister from tabling such private documents, but does not obligate the minister to do so.

I would like to address another important point of order that was raised yesterday by the member for Windsor-Riverside and the member for St Catharines on the subject matter of decorum in general and, in particular, the remarks made by the Premier during question period and directed to the Leader of the Opposition.

Upon review, I would caution the Premier that the remarks made yesterday were not in keeping with the spirit of our standing orders and make it difficult to maintain order and decorum in this House.

Yesterday was not one of our better days, and while interjections are to be expected, they were particularly loud, which prevented me from hearing the answer given by the Premier. I would submit to you that had I heard the words spoken, I would have directed the Premier to reconsider his comments and I am certain that he would have complied.

*Interjections.*

**The Speaker:** Order. There's our problem.

I would ask for the cooperation of all members to tone down the intemperate remarks that have dominated question period over these last few weeks and to ask for their assistance in a particularly noisy House, that if they perceive any unparliamentary language to be spoken then they have a duty to bring it to the attention of the Chair so that the Chair may take the appropriate action to have the offending words withdrawn immediately. The Speaker cannot be expected to review Hansard and reflect upon the words spoken. The words have to be heard in the particular context in which they were spoken to determine if they were unparliamentary or not.

Members may wish to know that I have named more members in this House in my short term of office than any other Speaker, and this record, I must tell you, I am not proud of. However, if the members on all sides continue to abuse their privilege to speak using unparliamentary language, then I will continue to name them as a commitment on my part to bring order and decorum to this House and to restore the dignity which it deserves. Thank you.



**Hon Michael D. Harris (Premier):** On a point of order, Mr Speaker: I wasn't aware that — if there was a point raised, perhaps it was when I wasn't in the Legislature yesterday, and it's just upon hearing your ruling that I realize somebody had raised the point — I guess the member for St Catharines. So I might say that if anything that I have said out of order, or in order, or from my place, or not from my place, has contributed to any of the unruliness in the Legislature, I would respectfully apologize, and assure the Speaker that I and our caucus will do our best to meet the objectives of a kinder, gentler, quieter Legislature.

## ORAL QUESTIONS

### LAW ENFORCEMENT

**Mr Sean G. Conway (Renfrew North):** My question is for the minister of justice. Last week your colleague the Minister of Finance tabled in this Legislature a budget with deep spending cuts for your department. Specifically, your government's budget calls for budget cuts to the department of the Attorney General representing \$116 million worth of cuts in this fiscal year — deep cuts of 15.4%.

How is it that you as minister of justice for Ontario intend to maintain a reasonable level of law and order in this province with these unprecedented 15.4% cuts to your budget year over year?

**Hon Charles Harnick (Attorney General, minister responsible for native affairs):** Once again, the opposition has read the numbers wrongly and I'd like an opportunity, which I'm now going to take, to set that straight. The number that's in the budget is \$753 million as the total budget for the Ministry of the Attorney General. There has been a one-time advance to legal aid, to be paid back over three years, and because we now have accrual accounting in Ontario, that reduces the budget of the ministry to \$718 million.

The rest of the money that has come out consists of legal aid payback of advance, \$12 million; legal aid reduction as per MOU — that's the agreement that the former government reached with the Law Society of Upper Canada, the administrator of the plan — \$20 million. The only other two amounts that represent the number to get down to \$652 million consist of \$32 million for the business plan reduction, and \$2 million for other adjustments, and the net reduction to the ministry this year is \$34 million. It is not \$116 million. Again, the information that the opposition relies on is wrong.

**Mr Conway:** It is cruel accounting. During the election campaign, law and order was a sacred trust for this Harris Tory bunch. Now, we see at the end of year one that law and order and its commitment in this government is in the sale bin, at the deep discount end of this revolutionary offering.

Minister, in the city of Toronto there are 400 fewer cops on the beat today than when you took office a few short months ago. I was out yesterday in the city of York, and people there are absolutely incredulous to hear and to read that your government is planning to offer welfare recipients as police officers in certain parts of the city of

Toronto. They're incredulous to hear that there's going to be policing for the rich, and everybody else is going to be abandoned to Guardian Angels.

1410

That's what people are hearing on the streets of Toronto and across the province. Paul Walter was quoted recently as saying that his police officers here in the city of Toronto feel betrayed by what you have done as opposed to what you promised to do. Minister, how do you square your promise of last year with the reality of this year?

**Hon Mr Harnick:** Interesting as we go through Police Week that I was meeting with the police in my riding this morning, and the staff inspector at 32 Division indicated to me how excited he is and police officers are about the fact that the Metropolitan Toronto Police are about to hire and assign 350 new front-line officers for the Metropolitan Toronto Police Force.

To get back to the numbers that my friend is now conveniently avoiding in the second part of his question, where he changes from the administration of justice, for which I am responsible, to the issue of policing, on the \$34 million or \$35 million that is going to be cut this year, I want to tell you about a couple of those things.

We're going to combine the office of the accountant of the Ontario Court (General Division) with the office of the public guardian and trustee. That's a saving, right off the bat, in administrative terms, of \$9 million. We're going to get rid of a whole middle layer of bureaucracy created when the Liberals were the government. They created a whole layer of regional bureaucracy. We're going to dismantle that and we're going to put services back on the front line. That's another saving, in administrative terms, of \$6 million.

If this party is concerned about spending, they would be applauding these ventures, because we are going to do better with the amount of money we're spending, and we have an administrative saving that we are going to be able to make that is responsible to the taxpayers of this province.

**Mr Conway:** Out in the city of York yesterday, people were keenly aware that you, Minister, you and your pal Mel Lastman got the subway; they got screwed. They know you're going to get the cops and they're going to get the Guardian Angels.

*Interjections.*

**The Speaker (Hon Allan K. McLean):** Order. Will the member come to order. Would the member please withdraw the unparliamentary language.

**Mr Conway:** I'm sorry, Mr Speaker. If that offended, I withdraw. But on the streets of York yesterday, they know that you're going to get the cops and they're going to get Guardian Angels. They're going to get welfare recipients patrolling their neighbourhoods. People in York and elsewhere in Ontario are beginning to understand that the Harris revolution is really going to be radical, that if you're rich, you're going to get policing; everybody else is going to get a buy-a-cop or rent-a-cop. You're going to be faced with a privatization of much of law and order. Isn't that your real agenda, Minister? Isn't that how you're going to meet the deep spending cuts imposed in your colleague's budget tabled last week?



**Hon Mr Harnick:** The member for Renfrew North says it so well, but when we listen to the words, I have to tell you, and I listened to the premise of that whole question, it's utter hogwash nonsense. He just says it so well that it has this air of a great story. The reality is that from the point of view of the Ministry of the Attorney General there will be administrative cuts and we will make better use of the money that exists in the system, much better use of the money than has ever been made before.

This is the first time ever that the Ministry of the Attorney General, a ministry that spends \$700 million, has ever had a plan defining what their core functions are, what it is we do and how we spend our money, and I commit to you that there will not be a reduction of services from the Ministry of the Attorney General to the people of Ontario.

**Mr Conway:** No wonder Roy McMurtry and Charlie Dubbin are as concerned as they are. You can run, Minister, but you can't hide from the bloody cuts imposed by this Harris revolutionary budget.

#### GASOLINE PRICES

**Mr Sean G. Conway (Renfrew North):** A second question to the Minister of Environment and Energy: In less than 48 hours the first long weekend of the summer season begins. Millions of Ontarians are going to be travelling across this province and millions of Ontarians are going to be pulling up to gasoline pumps that show 61.9 cents a litre for regular unleaded in most of southern Ontario. My colleague from Kenora tells me that yesterday some of the other gasoline brands were selling for nearly 80 cents a litre in Red Lake.

Minister, my question to you on behalf of the motoring public in Ontario is, what are you going to do, as Minister of Energy, to protect the travelling public in this province from these too-high gas prices?

**Hon Brenda Elliott (Minister of Environment and Energy):** Since this is a matter that concerns the consumers of the province, I defer the question to the Minister of Consumer and Commercial Relations.

**Hon Norman W. Sterling (Minister of Consumer and Commercial Relations):** As you know, I have been involved in this issue for some period of time. Consumers in this province are indeed upset with the gasoline prices, and they're upset with their federal government, which hasn't done anything about it.

**Mr Conway:** As the long weekend approaches and as millions of people across Ontario, including thousands of good people in Carleton county, take to the roads, those consumers want to know, Minister —

**Hon Noble Villeneuve (Minister of Agriculture, Food and Rural Affairs, minister responsible for francophone affairs):** Where is John Manley when we need him?

*Interjections.*

**The Speaker (Hon Allan K. McLean):** Order.

**Mr Conway:** The consumers of Ontario, in Carleton county and elsewhere, want to know, as they face these too-high gas prices, what little Normie Sterling is doing to earn his \$100,000. They want to know that. They want

to know what you're doing to earn your ministerial salary of \$110,000 a year. They would want me to ask you, Minister, as the consumer protection minister in this province, what are you going to do to earn your \$100,000 salary to protect the consuming public of Ontario from this kind of price fixing and this kind of price gouging?

**Hon Mr Sterling:** I may be small in size, but at any rate I think myself and the other members of this Legislature who are small in stature have taken their positions — I'm looking at the former Treasurer — and we have been as concerned about the problems as some of the larger members of this Legislature.

Notwithstanding those comments and the hyperbole this member seems to incite in every question that he asks, about four weeks ago, when I was very alarmed at the rising prices with regard to gas prices for consumers across this province, and seeing that the federal government was doing nothing, I took time to communicate with John Manley, the Minister of Industry, the minister of Canada who is responsible for ensuring that gasoline companies, oil companies, are operating within the terms of law and having a competitive atmosphere with regard to gasoline prices. I urged him to do something. I am thankful he took my advice and set up an inquiry to look into this matter.

**Mr Conway:** In last week's budget, the Minister of Finance went after the banks doing business in this province, to his credit. If you're not as useless and as redundant as that answer would suggest, and if you and your colleagues are serious about tackling the special interests, will you call the oil company presidents doing business in this province and tell them that the current gas prices in Ontario are too high, that they're injecting too much inflation into an economy that cannot stand it? Here are the phone numbers. Will you commit today, before the weekend arrives in 48 hours' time, to call these oil company executives and tell them, on behalf of Ontario consumers, these prices are too high and you want some action taken to bring these prices down?

**Hon Mr Sterling:** I would be more than glad to call these presidents, but I'm also going to fax this up to the minister who's responsible for this, John Manley, and ensure that he calls each of these particular presidents, because I know only one of them is located in the province of Ontario.

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#### EMPLOYMENT STANDARDS

**Mr David Christopherson (Hamilton Centre):** My question is to the Minister of Labour. Last week you met with Ontario's top labour leaders and, as I understand, at that meeting you were discussing with them your intent for a full review of the Employment Standards Act, that this was going to take about a year and that you were planning to have full consultation during that review. You then also said that you would be tabling on Monday legislative changes to the Employment Standards Act that amounted to housekeeping and were minor in nature. We know, of course, that when that document was tabled here on Monday it contained changes that could have far-reaching implications for both union and non-union



workers in this province. Your integrity is being brought into question here. Will you today at least admit that this piece of legislation is much more than just housekeeping?

**Hon Elizabeth Witmer (Minister of Labour):** I would like to remind you that I did indicate there would be a complete review of the Employment Standards Act. The changes we have introduced are changes which I would again indicate to you are minor in nature. The minimum standards as they presently exist today continue to exist with the changes we have made.

**Mr Bud Wildman (Algoma):** Except they don't necessarily apply.

**Hon Mrs Witmer:** They all apply. The same standards that applied before the introduction of the legislation apply today. It's only when your colleague starts to speak to the media that there is a distortion of some of the facts.

**The Speaker (Hon Allan K. McLean):** Order. I would appreciate if the ministers and the people asking the questions would direct your answers and questions through the Chair.

**Mr Christopherson:** Thank you, Mr Speaker. Obviously, I'm extremely disappointed, and I would think the government benches ought to be, that the best the minister can offer up is a character assassination when we're dealing with significant changes to the rights that workers have in this province and that you're planning to take away.

The changes are not minor, and it's not just the opposition and the labour movement that are saying so. In today's *Globe and Mail*, Professor Kumar from Queen's University in Kingston, Ontario, is quoted as saying the new law "will dilute working standards across the board in the province of Ontario."

How can you stand in your place and say that these are minor in nature when we know, both from experience and from professionals in the field, that these changes can have far-reaching implications? It's not just the changes that are in question here; it's your integrity. You are trying to ram another piece of legislation through by saying it's not a big deal. You did that with Bill 7. You did that with the omnibus Bill 26. I ask you again, will you admit that these are more than housekeeping? Come clean.

**Hon Mrs Witmer:** To the member opposite — and I notice now he's taken a line from the Liberal opposition critic — I would just like to remind you that we are very committed to the protection of the most vulnerable workers in this province and this piece of legislation makes absolutely no change to the standards, nor does it make any change as to who is or is not covered by the legislation.

I again indicate to you that what this does is remove some of the ambiguity. It is going to ensure there is greater self-reliance in the workplace. There will be more responsibility for the employees and the employers to settle some of their own problems and it will allow the ministry to do the job which it is to do, and that is to set, educate and enforce the act.

**Mr Christopherson:** Minister, you know that doesn't wash with the facts. The reality is that you have to find \$2.5 million out of the employment standards area of

your ministry to pay for your contribution to the tax cut. That's what this is all about and the workers in Ontario are being forced, through your legislation, to pay that price.

You have an opportunity today — today you have a chance — to keep as much integrity as you have intact by acknowledging that these are serious and far-reaching changes to the way labour is performed in this province. I ask you very directly, will you today commit to either withdraw this bill and make it part of your larger consultation — which indeed begs the question why you are rushing into this. Why not let it be part of that broader consultation, that larger review? Will you withdraw that bill today, or at the very least, will you commit to province-wide public hearings and stop pretending that this is only a minor matter and admit and acknowledge you're taking away rights from union and non-union workers?

**Hon Mrs Witmer:** I just want to again indicate to the member opposite that the bill introduced on Monday does not — does not — take away any of the standards, the minimum standards, that presently apply, nor does it do anything different as far as who the act applies to is concerned.

However, I will tell you that I have been in consultation with the labour leaders. We have been discussing the issue of hearings. I indicated to them last night when we spoke that, as we had always said we would do, we are quite prepared to take a look at public hearings and we will then determine how those public hearings will be handled.

**Mr Christopherson:** And they said what you offered wasn't enough. Tell the whole story.

**Hon Mrs Witmer:** I will tell you they were very happy with my response.

## POLICE SERVICES

**Mr Peter Kormos (Welland-Thorold):** I have a question to the Solicitor General. The Solicitor General knows that this government's tax break for the rich has led to —

**The Speaker (Hon Allan K. McLean):** Who's your question to? I can't hear you.

**Mr Kormos:** The Solicitor General. That's three times, Speaker.

The Solicitor General knows that this government's savage cuts as a result of its passion to give a tax break to the richest in this province has reduced the capacity of police services boards to maintain anything near appropriate levels of policing. In fact, the Kingston Police Services Board has had to reduce its budget to the tune of \$1.2 million as a result of this government's cuts. Because of that cut the police in Kingston have been forced to implement their traffic offender program in a somewhat feckless effort to try to generate revenue.

What's going to happen is that speeders are going to be charged 55 bucks and offered a brief driving course in lieu of being appropriately charged and being required to pay the fines that would be due under the Provincial Offences Act and the Highway Traffic Act. This money goes directly to the police budget rather than to provincial coffers. The irony is such that the province is going to lose more than half a million dollars in revenue from that



alone. As a result of these cuts, Kingston police are being forced to chase money rather than criminals. Quite frankly, the people in Kingston and across this province being faced with similar scenarios find that absurd. This government is cutting back on its transfer payments to police services boards because of a tax cut for the rich and now we've got police services boards —

**The Speaker:** Would the member put his question, please. You've been two minutes so far. Put your question.

**Mr Kormos:** It was only a minute and a half, when you consider the interruptions.

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Now we've got a scenario wherein police are being forced to expend their energies raising revenues rather than engaging in the policing that they are committed to. How can the Solicitor General justify that, in view of this government's promise to maintain funding for policing?

**Hon Bob Runciman (Solicitor General and Minister of Correctional Services):** I think virtually every police officer across this province would agree that there are efficiencies to be achieved in the operations of police services in Ontario. Most of them are moving in these areas. I speak on a fairly regular basis with the chief in the Kingston area and he certainly is not expressing the same concerns. He realizes there are challenges out there but, as I said, most of the police services are meeting those challenges in a very effective way.

In Cornwall they're taking a look at the high cost of vehicle maintenance, officers attending minor complaints, the reduction of officers in court; in Guelph they're looking at alternative means for service delivery; Hamilton-Wentworth is developing a false alarms policy, a cost recovery initiative; in Metro they have a list as long as my arm — provide prosecutors and scheduling clerks with officer availability dates for minor traffic and accident court dates; in Nepean they're looking at clothing allowances, excessive court time. There's a whole range of areas where police agree with this government that savings can be achieved without impacting in a negative way in any way, shape or form on front-line policing.

Our commitment as a party and as a government is to enhance front-line policing and we are moving in that direction. We cannot accomplish everything in 10 months, given the mess we were left with on our doorstep, but we are moving quickly and we will have, as I've said in this House on a number of occasions, a much more effective and efficient police service in this province as we enter into the next century.

**Mr Kormos:** The Solicitor General then should talk to Sault Police Chief Bob McEwen, who says: "There's a danger with police forces receiving a commission on the number of charges they lay. I never want to see policing in Ontario like towns in the US where there are revenue-driven speed traps." That's exactly, you see, what's going to be happening in Kingston.

The Solicitor General better pay heed to what the Metro Toronto Police Services Board says in its report dated May 6, 1996. The Metro Toronto Police Services Board is concerned that pressure may be placed on police personnel to spend more of their time on services that

provide limited revenue than focusing on core police duties.

The Solicitor General talks a big game when it comes to supporting police, but the fact is that he and his government haven't delivered. They've betrayed the police and the citizenry of this province. How can the Solicitor General justify what at the end of the day are clear cuts in police budgeting, clear reductions in police person-power? How can he justify that in view of the promises he and his leader made during the course of their election campaign?

**Hon Mr Runciman:** I think the member is talking to a very small number of police officers. I'm certainly not getting that feedback and colleagues on the government side of the House are not getting that kind of feedback from senior officers in policing or from rank-and-file officers.

Certainly there are concerns with respect to how we deal with the challenges, and that is one of the reasons, perhaps the most significant reason, behind our efforts in terms of the summit that's coming up in two to three weeks' time. We have to look at the way police are structured in this province; we have to look at their roles and responsibilities.

We all realize that this sort of thing has not been done. The previous three governments declined to get involved in a significant review. This has not been undertaken in the past quarter of a century, a significant, in-depth, intensive review of policing structure, roles, responsibilities, financing, in the province of Ontario. We're going to address these and, as I said, I feel very confident about the future for police officers in this province in terms of keeping our commitment as a party and as a government towards enhancing public safety.

**Mr Kormos:** The problem is that police officers across this province, whether they're in Niagara region, whether they're in Sault Ste Marie, whether they're in Kingston, whether they're here in Metro Toronto, don't share this Solicitor General's confidence. Police officers across Ontario are frightened for their welfare and for the welfare of honest citizenry. This government's agenda is a blank cheque for scofflaws and criminals, and it victimizes law-abiding citizens and police officers.

This Solicitor General and his government's policies of defunding policing are going to put police officers and the public at risk. Will this Solicitor General accept responsibility for the police officers who are going to be injured and maimed as a result of underpolicing and for the citizens of this province who are going to be victimized because this government refuses to adequately fund front-line policing?

**Hon Mr Runciman:** I think it's not a surprise to anyone that this member has a lot of gall. He certainly has a lot of gall to suggest what's going to happen with respect to police officers and public commitments. We simply have to look at the relationship that existed between the NDP government and police officers in this province. There has never been such a dismal relationship.

**Mr David S. Cooke (Windsor-Riverside):** You made the promise.

**The Speaker:** Order.



**Hon Mr Runciman:** We are indeed keeping the promise we made during the election campaign and commitments we made as an opposition party. We have significantly revamped the parole board. We've closed loopholes in the way prisoners were treated in terms of early release.

*Interjections.*

**The Speaker:** Order. The members for Grey-Owen Sound, Etobicoke West and Welland-Thorold, come to order, please. It's awful. Solicitor General, wrap up your answer.

**Hon Mr Runciman:** We just announced a commitment of \$2.1 million to expand the DNA lab to assist police across this province in solving crimes much more easily and quickly. We have moved on another promise, strict discipline, to deal with young offenders in a much more effective manner than has been the case in the past. We've just enhanced crime prevention initiatives in communities across this province by \$2.24 million. Finally, we're taking a look at policing, its structure, the financing, the roles and responsibilities and governance — the first significant, comprehensive review in a quarter of a century.

**The Speaker:** New question, the member for Timiskaming.

**Mr David Ramsay (Timiskaming):** I'd like to continue this line of questioning with the Solicitor General, because two days ago I asked the Solicitor General about his cash-and-carry cops. It really makes this question necessary. It's because of his cuts in police funding that the cops have to be into merchandising.

Your police review report that you quoted just now says, "Escalating costs of police services, compounded with the decreasing financial support by government, are forcing many police services to seek alternative sources to secure funding." I continue, "Without adequate financial support, many police services may be forced to cut key law enforcement and crime prevention programs." This is the minister's own report that admits that this government has cut police funding. His budget of last week also shows us that he has cut police funding.

In its campaign, this government said that it would guarantee the funding of policing and that it also would reinvest into policing any savings it found. Does this guarantee mean that if the police can't hustle enough merchandise, you will put the money back, or is this just another broken campaign promise?

**Hon Mr Runciman:** I indicated in an earlier answer that this paper was prepared with the involvement of various stakeholders in the police community right across this province. This is not a product solely of the Ministry of the Solicitor General and the policing services division; this has the input of a wide range of people across the province. They approached this on the basis that although some of these suggestions may not be appropriate in the long run, they certainly merited discussion. That's what this paper was intended to do: provoke discussion. It is a discussion paper. We did not want to have any sacred cows with respect to any particular issue being ruled out in terms of discussion. To suggest that anything that's mentioned in there is etched in stone is not the case.

I've suggested that some of the ideas this member and others have put forward in terms of the kinds of advertising that might be initiated are simply not in the cards, unlike the federal government, which allowed the RCMP to sign a deal with Disney.

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**Mr Ramsay:** This report has your seal on it and has your ministry name on it, so it's a government of Ontario document. It admits that there's been a shortfall of government funding in policing.

Your paper also states that there's a greater role to be played by the private security industry in this province "in areas such as personal security, property protection and the investigation of specific types of crime." I know this government wants to return Ontario to the so-called good old days, but does this mean the return of maybe the Pinkerton police squad that used to beat up on workers in this province? Or is this also going to mean a continuation of what we're seeing now, that only the fat cats in this province are going to get the criminal investigations they want?

You've put policing in this province on the edge of a crisis. When are you going to live up to the promise you made in the campaign last year?

**Hon Mr Runciman:** I think this is more political rhetoric designed for a by-election campaign that's taking place in York South at the moment rather than valid concern with respect to policing in this province.

I recall when that member's party was in power and a couple of Metro police officers —

*Interjections.*

**Hon Mr Runciman:** Mr Speaker, I'm trying to address this through you — a couple of members of the police service complained about what they construed to be a revolving door court system where they were spending thousands of dollars and hours on trying to get drug dealers into the court system and then they were out on the street the next day. Do you know what the response of the Liberal government of the day was? They threatened those police officers that, if they once again criticized what was happening out there on the streets, they would face action under the Police Services Act. That's the kind of support the police had under a Liberal government.

The member gets up and suggests that all of a sudden they're concerned. Well, I don't buy it and I don't think the people of York South are going to buy it, or the people of the province of Ontario.

#### VEHICLE EMISSION TESTING

**Ms Marilyn Churley (Riverdale):** My question is for the Minister of Environment and Energy. I would like to ask the minister if she could tell this House what the difference is between cars in British Columbia and cars in Ontario.

**Hon Brenda Elliott (Minister of Environment and Energy):** I'm sure there are a number of different answers to my colleague's question. A different place might be one of the responses.

**Ms Churley:** I'm referring to a quotation from the minister at a conference where she tried to explain that a



mandatory vehicle emissions program is not necessary in Ontario because the longevity of a car's life is different in British Columbia than in Ontario.

As you know, the summer is coming and with summer comes a deadly brown haze of pollution, commonly known as smog, which literally kills people. It causes very serious health problems. The Lung Association, Pollution Probe and other health and environmental groups across Ontario have called on you and your government to take action.

You have recently hinted that mandatory vehicle testing is not needed in Ontario and is not consistent with the philosophy of the Conservative government. Why don't you stand up to your Premier and tell him that mandatory vehicle testing is absolutely necessary to protect human health in Ontario?

**Hon Mrs Elliott:** First, to correct misinformation, what I was saying was that the life of vehicles in British Columbia is different from that in Ontario, based on the climate, first of all.

Secondly, we're very aware that Ontario has a serious smog problem and we are concerned about it. I have mentioned in the House on numerous occasions that we are cooperating with our federal counterpart with regard to new fuel formulations and low-emission vehicles. We have extended the pilot program for the voluntary air program and we are continuing to work to determine the best way to deal with a very large issue in the province of Ontario, mandatory vehicle testing being one of those ideas that we are seriously exploring.

#### FISCAL AND ECONOMIC POLICY

**Mr Derwyn Shea (High Park-Swansea):** My question is for the Minister of Finance. Minister, after 10 years of Liberal and NDP governments the economy was trashed, and we know that the people elected this government to cut taxes and to reduce spending —

*Interjections.*

**The Speaker (Hon Allan K. McLean):** Order. I can't hear the member.

**Mr Shea:** — so that we can encourage jobs and growth and investment.

I was astonished this week to hear that the potential next leader of the Liberal Party, a potential candidate in York South, Gerard Kennedy, was in fact musing aloud and rewriting the red book and suggesting that he would support the raising of taxes and increasing the deficit so we could spend more on welfare.

You would think that if they were going to parachute a candidate into York South, they would at least make sure he understood the difficulties that York South has faced in the past. For example, it's lost in the last 10 years 29% of its manufacturing base and 15% of its employment base and so forth.

**The Speaker:** Order. Put your question, please.

**Mr Shea:** My question to the Minister of Finance is this: Minister, if the government has finally taken the steps to encourage jobs and growth and investment in Ontario, as we said we would do, what would be the impact if we took Gerard Kennedy's advice and raised taxes and the deficit?

**Hon Ernie L. Eves (Deputy Premier, Minister of Finance and Government House Leader):** We have seen what policies of previous administrations, raising taxation levels some 65 times in the past decade alone, 11 personal income tax increases as well, have done to the Ontario economy.

When we assumed office in June of last year, the deficit for that fiscal year just past would have been, on an accrual basis, \$11.2 billion. We were spending almost \$9 billion a year in interest payments alone. The province of Ontario was spending \$1 million more an hour than it took in in revenue. Clearly that is unsustainable over any length of time.

If we had continued with the tax-and-spend policies of the previous two administrations, if we had continued with those policies, by the year 2000 we would have been spending about \$20 billion a year in interest payments alone. It doesn't take any genius to figure out that spending \$20 billion in interest payments out of total program spending of \$42 billion would do exactly the opposite to what Mr Kennedy wants to do. It would create more people on social assistance, but we wouldn't have the money to pay them. We wouldn't have the money to pay for health care, classroom education, community safety and other things that the people of Ontario value the most.

**Mr Shea:** I take it from the answer of the finance minister that the old adage is indeed true. There are two certainties in life if you are to vote for the Liberal in York South: death and taxes. Those are two things that you can count on.

In spite of his public musings and the rewriting of the red book, I ask the finance minister one more time, if we were to do as that Liberal candidate in York South were to suggest, to raise taxes and to increase the deficit, would Ontario be able to —

*Interjections.*

**The Speaker:** Order. Minister.

**Hon Mr Eves:** The honourable member will know that in June of last year there were fewer people working in the province of Ontario than there were in 1989. There had not been one single new net job created in the province of Ontario in the preceding six years, and the working men and women of this province who pay taxes were taking home less money in real terms than they were in 1985.

We firmly believe that allowing and enabling five million hardworking, taxpaying Ontarians to spend more of their money as they see fit will spend it far more effectively and far more wisely, creating hundreds of thousands more jobs in the province of Ontario, than any government could ever dream of doing.

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#### VIDEO LOTTERY TERMINALS

**Mr James J. Bradley (St Catharines):** I'm going to ask a question to the Treasurer that I would have thought the member for High Park-Swansea would have asked instead of one bashing the poor people of this province. My question is about video lottery terminals being introduced in this province, something I would have



thought would have concerned the member for High Park-Swansea.

Those who are most familiar with the issue of gambling, and particularly video gambling, say the following: It is "one of the most addictive forms of gambling — addictive because it is fast, addictive because it provides instant gratification, addictive because it is paced for the modern way of thinking of younger people, of computerized gambling instead of dealing cards or throwing dice."

In Nova Scotia, they have withdrawn 2,500 of these machines. In Alberta, they are pulling back. They are limiting them now to 6,000 machines, which is 6,000 too many, but at least they are pulling them back.

Minister, why would you embark upon such a slippery and unwise slope when so many are so uneasy about the introduction of video gambling machines and are beginning to pull back from this initiative? Is the damage done to the most vulnerable people in our society really worth the easy money to fill provincial coffers?

**Hon Ernie L. Eves (Deputy Premier, Minister of Finance and Government House Leader):** The honourable member will know that there are, by OPP estimates, anywhere between 15,000 and 20,000 illegal video lottery terminals operating in the province of Ontario today. I might add that they have been there for several years now without previous administrations taking any initiatives whatsoever to crack down on their operation.

We are introducing video lottery terminals in a very controlled and carefully monitored setting. They will be monitored by the Ontario Lottery Corp and by the Gaming Control Commission of the province of Ontario. They will be introduced, as the member well knows, only into racetracks and permanent charity event sites in the province of Ontario until such time as those two bodies are satisfied that the network can be expanded into the hospitality industry. The honourable member for St Catharines knows all of these facts.

We also made several commitments in the budgetary document that he's well aware of that when that network is expanded, there will be fewer terminals per capita than any one of the other eight jurisdictions in Canada that now have them, and he knows full well that the province of British Columbia is the only other province that does not have a video lottery terminal network in existence.

**Mr Bradley:** That is exactly why I would be hoping the province of Ontario would show leadership in this field and avoid this easy money for the government.

You'd be interested that Professor Garry Smith of the University of Alberta, who has done extensive studies of this kind of gambling, says he would not legalize video slots because they're the most dangerous form of gambling out there.

Wayne Yorke, a Nova Scotia psychologist who again studied this very extensively, has written that electronic gambling may be a calamity for the next generation. The video lottery terminals that are being played all over the country are, he says, "an entrapment in an illusionary world of almost virtual reality wherein everything is a game and every game may be won or lost. The game and the play have a price. Are we," as a society, "willing to pay the price?"

Minister, upon reflection, and knowing your strong views in the past on this issue, are you as a man of

conscience and concern prepared to pay that very heavy price?

**Hon Mr Eves:** The honourable member will also know that in the budgetary document we contained a reference to dedicating 2% of the revenue, and that number —

**Mr Bradley:** Conscience money. That is just conscience money.

**Hon Mr Eves:** No, I say with all sincerity to the member for St Catharines. I know there are several members of his party sitting in the House today who attended the Bill 8 hearings across the province of Ontario. We had the gambling and addiction foundation come before the committee. They indicated that anywhere from 1.5% to 2.5% of the populace that is subjected or has the opportunity to embark upon gaming of any kind becomes addicted, and that is exactly why we chose the number 2%.

He will also know that other associations, such as the compulsive gambling association, understand that we are at least taking an initiative and providing funding in terms of millions of dollars to deal with this problem, which I might say again the two previous administrations did not do.

I might also indicate from talking to the member for Windsor-Riverside that I understand that two caucus colleagues of yours, your members from Windsor-Sandwich and Windsor-Walkerville, are both solidly on record as being in favour of video lottery terminals in the province of Ontario.

#### APPOINTMENTS PROCESS

**Mr Floyd Laughren (Nickel Belt):** I have a question for the Minister of Health. Today the executive director and the chair of the Manitoulin-Sudbury District Health Council appeared before the government agencies committee to talk about the future of their district health council, and by implication other district health councils in the province as well.

The appointments process to health councils was discussed at length and the chair of the Manitoulin-Sudbury District Health Council expressed some very grave concerns about the way you are undermining the appointments process in this province. I have some quotes from Mr Ferguson.

One is: "There have been eight recent appointments to our council. None of these people were recruited or recommended by the council." Secondly, he says, and I hope you'll pay attention to this comment, "The neutral and objective planning and advisory role of the district health councils is at risk. The continuation of appointments in a political vein with little regard to the traditional recruitment process followed until recently by DHCs and ministers of health will mean an end to the traditional role of district health councils and convert them to nothing but political instruments of the government."

Minister, when are you going to stop subverting the appointment process that was followed by previous Tory governments, Liberal government and New Democratic government and bring some integrity back into this process?



**Hon Jim Wilson (Minister of Health):** The facts speak for themselves. Just slightly over 80% of the appointments recommended by district health councils themselves have been accepted by me as minister and those people have been appointed.

**Mr Laughren:** A completely ridiculous answer. Come to Sudbury where the last eight appointments didn't even go through the district health council, they came directly from you, directly from your office. That is inappropriate. They didn't even apply to the ads that were placed in the paper when vacancies arose. So don't tell me that you have a legitimate process with 80% of the appointments.

In Sudbury, your process is completely and absolutely illegitimate and you are undermining the health council that's worked extremely hard on the restructuring of hospitals in the community. You really have to wonder what's behind this.

The parliamentary assistant reviewing agencies, boards and commissions, Mr Wood, said in the committee today that if the minister rejects an adviser's recommendation, doesn't it make sense to change the people that give you those recommendations? What this is all about is your putting people on the district health council who reflect your views, your views only, and not the views of the community they're supposed to be representing. You cannot continue to do this, to volunteer people in communities. This isn't the only community.

The Association of District Health Councils said a couple of weeks ago and passed a resolution stating that at least eight district health councils were stacked with parachuted Tory appointments. So you're not just undermining the Sudbury district health council; you're undermining them all across this province. How do you expect the system to work when you put your handpicked political appointees on these health councils?

**Mr Bill Murdoch (Grey-Owen Sound):** And you didn't do that? Oh boy, give me a break.

**The Speaker (Hon Allan K. McLean):** Order. The member for Grey-Owen Sound, come to order.

**Hon Mr Wilson:** According to the law of this province, district health councils are advisory boards to the Minister of Health and the Minister of Health has full prerogative to appoint people directly to health councils.  
1500

Secondly, I will make public the process that the NDP had, where they had 15 categories, including the colour of your skin, your sexual orientation, your profession, and a full pile of other quotas. Your process was immoral, wrong, wrong, wrong, and we're not following that process.

**Mr Laughren:** On a point of privilege, Mr Speaker: Are you going to allow the Minister of Health to accuse us of having an immoral process of appointments? I would remind you, Mr Speaker, that is completely out of order and unparliamentary —

*Interjections.*

**Mr Laughren:** Mr Speaker, just if I could finish my point of privilege.

*Interjections.*

**The Speaker:** Order, order. I was going to get up, but I really wish the minister would reconsider and withdraw what he had said. Minister?

**Hon Mr Wilson:** No, Mr Speaker. The briefing notes, when I first came in, had the individual's name and below each of them you had to check off a number of — with respect to the comment of immorality —

*Interjections.*

**The Speaker:** Order. I'm referring to the word "immoral." Would you withdraw the word "immoral"?

**Hon Mr Wilson:** I will withdraw it, Mr Speaker, but it is my opinion of your process.

## BOATING SAFETY

**Mr Bill Grimmett (Muskoka-Georgian Bay):** My question is for the Attorney General —

*Interjections.*

**The Speaker (Hon Allan K. McLean):** Order. I just can't believe what I'm seeing today. It's unbelievable. All sides of the House have a responsibility to try and maintain order, and I'm asking that.

*Interjections.*

**The Speaker:** Order. Will the member take his seat. The member for Muskoka-Georgian Bay has the floor.

**Mr Chris Stockwell (Etobicoke West):** On a point of order, Mr Speaker: The member for Cochrane South made disparaging remarks about this caucus with respect to white sheets and hoods. I want it withdrawn.

**The Speaker:** The member for Cochrane South.

**Mr Gilles Bisson (Cochrane South):** I withdraw it.

**The Speaker:** Thank you. The member for Muskoka-Georgian Bay.

**Mr Grimmett:** My question is for the Attorney General. Spring has finally come to my riding of Muskoka-Georgian Bay. The grass is turning green and the ice is out of the lakes. This weekend thousands of recreational boaters will be returning to the lakes and rivers in my riding. The issue of recreational boating safety will be at the forefront in the minds of many people in my riding.

In recent years, all levels of government have worked with local groups and local individuals to try to improve boating safety. I'm encouraged to find that the federal government currently has legislation before it which is meant to improve the ticketing system for boating offences. I wonder, Minister, with the holiday weekend approaching, can you update the people of Muskoka-Georgian Bay on how this ticketing system is coming along and when it will be up and running?

**Hon Charles Harnick (Attorney General, minister responsible for native affairs):** Prosecutions under the Canada Shipping Act are handled by the federal government and they look after boat offences. The federal enabling legislation to permit this to be done by a ticketing scheme rather than by full-scale prosecutions is being worked on by the federal government and I'm told by the federal Attorney General, Mr Rock, that they hope to have in place by the end of June the proclamation of the bill and the regulations pertaining to it. Thereafter, the province of Ontario will be in a position to do its own companion regulations so that we can become involved as prosecutors for this system and we will then be able to bring our ticketing scheme into line with theirs.

I hope that if they have their work done by the end of June and the bill proclaimed and the regulations avail-



able, we will then be able to get our scheme up and running by August 1. It can't be done any faster. We are asking the federal government to move as quickly as they can and they've indicated they will be making those changes and putting us in a position to do the same.

**Mr Grimmett:** What will this new ticketing system do to improve the safety on our waterways?

**Hon Mr Harnick:** Right now, if there is an offence laid pursuant to the Canada Shipping Act, hours and hours of prosecution time are taken which take police officers out of front-line duties to be involved in preparations of these prosecutions. By going into this ticketing scheme that the federal government is setting up, it means that a ticket can be given, a fine can be paid and police officers don't have to be taken off the waterways. One of the reasons we want this scheme to go as quickly as we possibly can is to get police officers on our waterways to enforce the boating safety regulations to make the boating season the safest boating season we've ever had.

Fortunately, the federal government is cooperating. They're working very hard, and I hope they will have their work done. We are now doing the work that we have to do in advance. It's already under way, and I look forward to the ticketing scheme that the federal government is going to provide us with.

#### NEGRO CREEK ROAD

**Mr Alvin Curling (Scarborough North):** My question is to the Minister of Citizenship, Culture and Recreation. Madam Minister, you are aware of the Underground Railroad and the significant role it has played in the rich history of this great country. One such area is Holland township where many blacks had settled, raised families and contributed to the economic wellbeing of the region.

In 1851, it was recorded in historical documents that the name Negro Creek Road was established in that vicinity. It has recently come to my attention that this road has been renamed Moogie Road. Could you, Minister, please bring me up to date on why the name change came about?

There are concerns by the Ontario Historical Society, Oro-Medonte history committee, the Ontario Black History Society, just to name a few. Could you assure me that the black historical heritage of Negro Creek Road and other such landmarks is protected for future generations and that the changes are not done to further any private economic ventures or individuals with ulterior motives?

**Hon Marilyn Mushinski (Minister of Citizenship, Culture and Recreation):** I indeed concur with what the honourable member for Scarborough North has said with respect to the tremendous contribution to this province of the black community and most certainly I concur absolutely with what he has suggested about its contribution to our heritage.

My understanding of that particular change is that it was by the municipal council of the area. My further understanding is that that particular issue is a matter that is presently before the Ontario Human Rights Commission and, given that that is an arm's-length agency of my ministry, I'm not in a position to comment on it.

#### PETITIONS

##### DELLCREST CHILDREN'S CENTRE

**Mr Tony Ruprecht (Parkdale):** I keep getting petitions about the Dellcrest Children's Centre in Parkdale and I have another one signed by a number of people and addressed to us as Legislative Assembly members. It reads:

"Whereas the Dellcrest Children's Centre is planning to open a 10-bed open custody residence for troubled children and youth at 182 Dowling Avenue; and

"Whereas the residence is an inappropriate site for the rehabilitation of troubled children because it is within walking distance to illicit drugs and prostitution activities; a large number of unsupervised and supervised rooming-houses that are homes to ex-psychiatric patients, parolees and our society's most vulnerable ostracized members; and a number of licensed establishments that have been charged with various liquor infractions; and

"Whereas the Ministry of Correctional Services and the Dellcrest Children's Centre have decided not to hold open discussions with our community prior to the purchase of this house for the purpose of an open custody residence; and

"Whereas the decision to relocate also expresses a total lack of regard towards our community's consistent and well-documented wishes for the Ontario government to stop the creation or relocation of additional social service programs or offices in an area that is already oversaturated with health and social services for disadvantaged, troubled and disenfranchised people;

"We, the undersigned local residents and business owners, urge the Ministry of the Solicitor General and Correctional Services to suspend plans to relocate the open custody residence for troubled children and youth until a full review of the Dellcrest Children's Centre's decision can be conducted, and explore, with us, alternative locations which are more appropriate."

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##### EDUCATION FINANCING

**Mr Peter Kormos (Welland-Thorold):** I've got a petition addressed to the Legislative Assembly of Ontario.

"I, Jamie Treschak, of Centennial Secondary School, have written this petition so that all who share the same view as I do can express their support.

"I feel that the recent cuts to our teaching staff are too large. Nine teachers have lost their jobs because they have less than five years' seniority. That's not right. These teachers run clubs, stage plays, coach teams and are responsible for many other extracurricular activities. Eliminating these teachers means eliminating these important activities. These are not only teachers to us; they are also our friends. Teachers teach students, not just subjects.

"Many teachers have enlightened the lives of all of the students they have taught. They have been laid off, along with others. They weren't fired because of their inability to do the job, but because they had lowest seniority and because of the cuts.



"Many other students across this board and other boards have not only lost some of our best teachers, but also some of our best friends and some of our most important extracurricular activities. This is the heart of our school. These schools now have larger classes, more failures and less time left for students.

"In closing, please save these teachers. Teaching methods are like computers: Every so often, they should be upgraded, and teachers are important to our education."

That's signed by a whole number of people: Jamie Treschak, Nicky Powell, Jennifer Gaboury, Julia Timms, Jenn Potten and literally hundreds of others.

### TAX REDUCTION

**Mrs Barbara Fisher (Bruce):** I have a petition here from the riding of Bruce. Although a little untimely, I received it in the mail today and have been asked to read it into Hansard.

"We, the undersigned, request that the Legislature of Ontario not approve any tax cuts until the causes of poverty and unemployment in Ontario are dealt with effectively and until the province's debt and deficit are paid down."

### FAMILY SUPPORT PLAN

**Mr Michael Gravelle (Port Arthur):** The people of the province are still rising up about the intention of the Attorney General to close the family support regional offices. I have a petition.

"We, being residents and taxpayers of Ontario, hereby wish to notify you that we oppose the centralization of the family support plan, and in particular the closure of the Thunder Bay branch of the family support plan, for the following reasons:

"Whereas the regional offices are necessary for the timely enforcement of support orders agreements;

"Whereas the Thunder Bay regional office currently has 3,639 active files and a compliance rate of 67%;

"Whereas the Thunder Bay branch region covers from White River to the Ontario-Manitoba border;

"Whereas seasonal employment and variable support provisions are common to the northwest;

"Whereas it is proposed that such cases will not be assigned to a particular case worker any more;

"We therefore hereby respectfully request that you give consideration to our concerns and reject any proposal for the closure of the Thunder Bay branch family support office."

I am proud to sign it. We have hundreds of signatures here.

### ST JOSEPH'S HOSPITAL

**Mr David Christopherson (Hamilton Centre):** I have a further petition regarding the potential closure of St Joseph's Hospital in downtown Hamilton. It's a petition to the Minister of Health and the Hamilton-Wentworth District Health Council, which now, by the way, will have to make the final decision before it goes to the minister.

"Whereas the Hamilton-Wentworth Health Action Task Force, as part of their report, has recommended the closure of St Joseph's Hospital in Hamilton; and

"Whereas it is recognized the health care system should be made as efficient as possible; and

"Whereas the quality of health care in our community should not be sacrificed in the name of efficiency; and

"Whereas the Mike Harris government promised to protect the quality of health care in Ontario; and

"Whereas we, the undersigned, believe that maintaining the presence of St Joseph's Hospital in downtown Hamilton is a vital component of our health care system;

"Therefore, be it resolved that the Minister of Health and the Hamilton-Wentworth District Health Council ensure the continuance of St Joseph's Hospital at its present site."

I continue to support these petitions.

### VIDEO LOTTERY TERMINALS

**Mr James J. Bradley (St Catharines):** I have a petition that reads as follows:

"Since video lottery terminals will contribute to gambling addiction in Ontario and the resulting breakup of families, spousal and child abuse, and crimes such as embezzlement and robbery;

"Since the introduction of video lottery terminals across Ontario will provide those addicted to gambling with widespread temptation and will attract young people to a vice which will adversely affect their lives for many years to come;

"Since the introduction of these gambling machines across our province is designed to gain revenue for the government at the expense of the poor, the vulnerable and the desperate in order that the government can cut income taxes to the greatest benefit of those with the highest income;

"Since the placement of video lottery terminals in bars in Ontario and in permanent casinos in various locations across the province represents an escalation of gambling opportunities; and

"Since Premier Harris and Finance Minister Eves were so critical of the provincial government previously becoming involved in further gambling ventures and making the government more dependent on gambling revenues to maintain government operations;

"We, the undersigned, call upon Premier Harris and the government of Ontario to reconsider its announced decision to introduce the most insidious form of gambling, video lottery terminals, to restaurants and bars in the province."

I have affixed my signature.

### WORKERS' COMPENSATION

**Mr David Christopherson (Hamilton Centre):** I have further petitions from the United Food and Commercial Workers International Union, Local 1000A, regarding workers' compensation.

"To the Honourable Elizabeth Witmer, Minister of Labour, and the Legislative Assembly of Ontario:

"We, the undersigned, are opposed to the proposed changes to workers' compensation in Ontario, including



the elimination of the current bipartite board of directors; the reduction of temporary benefits from 90% to 85%; the introduction of an unpaid waiting period for compensation benefits; legislated limits on entitlement, including repetitive strain, chronic pain and stress claims; reduced permanent pensions and pension supplements.

"Workers' compensation is not a handout; it is a legal obligation that the employers of this province have to workers in Ontario.

"We therefore demand no reduction in existing benefits, improved vocational rehabilitation, tightened enforcement of health and safety to prevent accidents, no reduction in current staff levels at the WCB and continued support for the bipartite board structure."

I support this petition with my signature also.

### NON-PROFIT HOUSING

**Mr Alvin Curling (Scarborough North):** I have a petition to the Legislative Assembly of Ontario.

"Whereas the Ontario government has clearly indicated that it 'wants to get out of the housing business'; and

"Whereas the Ontario government is reviewing the legal contracts and budgets of every co-op housing project in the province; and

"Whereas the Ontario government has announced plans to make huge cuts to co-op and non-profit housing funding; and

"Whereas the Ontario government wants to replace affordable housing with subsidies to private landlords; and

"Whereas co-op housing is a proven success in providing affordable homes owned and managed by the people who live in them; and

"Whereas the actions of the Ontario government threaten to destroy stable, well-maintained communities which have been built over the last quarter of a century and the investment all Ontarians have made in this type of affordable social housing;

"We, the undersigned, request that the Ontario government sit down with the co-op housing sector to negotiate a deal which will ensure the long-term financial viability of housing co-ops and the continuance of rent-geared-to-income assistance upon which thousands of co-op members depend, and which will promote greater responsibility for administration by the co-op housing sector and less interference by the government in the day-to-day operations of housing co-ops."

I affix my signature to this.

### RENT REGULATION

**Mr David Christopherson (Hamilton Centre):** I have a petition to the Legislative Assembly of Ontario.

"Whereas Mike Harris's Conservative government of Ontario is planning to destroy the present system of rent control; and

"Whereas Mike Harris and the Conservative Party made no mention of scrapping rent control during the election campaign of 1995 or in the Common Sense Revolution document; and

"Whereas a number of Conservative candidates in ridings with high tenant populations campaigned during

the 1995 election on a platform of protecting the current rent control system; and

"Whereas the government has consulted with special-interest groups representing landlords and developers while cutting funding to organizations representing the 3.5 million tenants in Ontario; and

"Whereas all renters will suffer, seniors and others on fixed incomes will suffer particular hardship if rent controls are abolished; and

"Whereas eliminating rent control will result in skyrocketing rents in Ontario;

"Therefore we, the undersigned, call upon the Legislative Assembly of Ontario to stop the attack on the 3.5 million tenants of this province."

I affix my signature also.

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### NORTH YORK BRANSON HOSPITAL

**Mr Monte Kwinter (Wilson Heights):** I have a petition to the Legislative Assembly of Ontario.

"Whereas the final report of the Metropolitan Toronto District Health Council hospital restructuring committee has recommended that North York Branson Hospital merge with York-Finch hospital; and

"Whereas this recommendation will remove emergency and inpatient services currently provided by North York Branson Hospital, which will seriously jeopardize medical care and the quality of health for the growing population which the hospital serves, many being elderly people who in numerous cases require treatment for life-threatening medical conditions;

"We petition the Legislative Assembly of Ontario to reject the recommendation contained within the final report of the Metropolitan Toronto District Health Council hospital restructuring committee as it pertains to North York Branson Hospital, so that it retains, at minimum, emergency and inpatient services."

I have affixed my signature.

### TRANSITION HOUSE

**Mr Pat Hoy (Essex-Kent):** "To the Legislative Assembly of Ontario:

"Whereas Transition House in Chatham has provided emergency shelter to troubled or abused youth as well as support, counselling and life skills training since 1990, and operating on a five-year budget of \$865,000 they have counselled over 400 youth and served over 20,000 meals;....

"Whereas it has been shown that massive cuts to health services, school systems and social services has a definite impact on the statistics of children and youth in crisis; and

"Whereas the government of Ontario has cut its direct funding to Transition House by almost \$48,000 annually and placed the existence of Transition House in jeopardy;

"Be it therefore resolved that we, the undersigned, urge the government of Ontario to reverse its decision to cut the funding of Transition House in Chatham" and in Kent.

This is signed by a number of people from Chatham, Dresden, Wallaceburg and Paincourt. I affix my signature to it.

## GASOLINE PRICES

**Mr James J. Bradley (St Catharines):** I have a petition from a number of people in Ontario. It reads as follows:

"Whereas since March of 1996 gasoline prices have increased on an average a dramatic 10 cents a litre, which is over 45 cents a gallon;

"Whereas this increase in the price of gasoline has outpaced the rate of inflation by a rate that is totally unacceptable to all consumers in this province because it is unfair and directly affects their ability to purchase other consumer goods;

"Whereas Premier Mike Harris and Consumer and Commercial Relations Minister Norm Sterling, while in opposition, expressed grave concern for gas price gouging and asked the government of the day to take action;

"We, the undersigned, petition Premier Harris and the government of Ontario to eliminate gas price-fixing and prevent the oil companies from gouging the public on an essential and vital product."

I affix my signature to this as I agree with its contents.

## COLLEGE OF TEACHERS

**Mr Pat Hoy (Essex-Kent):** "Petition to the Ontario Legislature:

"Whereas the public secondary teachers of Ontario have taken a workplace democracy vote in accordance with Bill 7, and have rejected the proposed College of Teachers by a 94.8% vote;

"We, the undersigned, urge the provincial assembly to instruct the government to withdraw Bill 31, the Ontario College of Teachers Act, 1995."

I affix my signature.

## LIQUOR CONTROL BOARD OF ONTARIO

**Mr James J. Bradley (St Catharines):** To the government of Ontario:

"Whereas the government of Ontario appears to be moving towards the privatization of retail liquor and spirits sales in the province; and

"Whereas the LCBO provides a safe, secure and controlled way of retailing alcoholic beverages; and

"Whereas the LCBO provides the best method of restricting the sale of liquor to minors in Ontario; and

"Whereas the LCBO has an excellent program of quality control of the products sold in its stores; and

"Whereas the LCBO provides a wide selection of product to its customers in modern, convenient stores; and

"Whereas the LCBO has moved forward with the times, sensitive to the needs of its customers and its clients; and

"Whereas the LCBO is an important instrument for the promotion and sale of Ontario wine and thereby contributes immensely to the grape-growing and wine-producing industry;

"Therefore, be it resolved that the government of Ontario abandon its plan to turn over the sale of liquor and spirits to private liquor stores and retain the LCBO for this purpose."

I affix my signature to this petition.

## TRANSITION HOUSE

**Mr Pat Hoy (Essex-Kent):** I have yet another petition that concerns the Transition House in Chatham and in Kent county. I believe that there have been approximately 700 signatures to date from people concerned about the cuts to Transition House, and I affix my signature to this petition.

## REPORTS BY COMMITTEES

STANDING COMMITTEE ON  
GOVERNMENT AGENCIES

Mr Laughren from the standing committee on government agencies presented the committee's 10th report.

**Mr Floyd Laughren (Nickel Belt):** I know you've been waiting anxiously for this.

**The Acting Speaker (Ms Marilyn Churley):** Pursuant to standing order 106(g)11, the report is deemed to be adopted by the House.

STANDING COMMITTEE ON  
REGULATIONS AND PRIVATE BILLS

Mr Barrett from the standing committee on regulations and private bills presented the following report and moved its adoption:

Your committee begs to report the following bills without amendment:

Bill Pr54, An Act respecting the city of Toronto

Bill Pr55, An Act respecting the city of Toronto.

**The Acting Speaker (Ms Marilyn Churley):** Shall the report be received and adopted? Agreed.

## ORDERS OF THE DAY

TAX CUT AND ECONOMIC GROWTH ACT, 1996  
LOI DE 1996 SUR LA RÉDUCTION D'IMPÔTS  
ET LA CROISSANCE ÉCONOMIQUE

Resuming the adjourned debate on the motion for second reading of Bill 47, An Act to cut taxes, to stimulate economic growth and to implement other measures contained in the 1996 Budget / Projet de loi 47, Loi visant à réduire les impôts, à stimuler la croissance économique et à mettre en oeuvre d'autres mesures mentionnées dans le budget de 1996.

**Mr Gerry Phillips (Scarborough-Agincourt):** I'm pleased to continue the debate on Bill 47. I think all members of the House know what the bill is, but maybe some aren't familiar with it. It's the bill essentially to enact the budget measures that were laid out by the Minister of Finance a week ago.

It's no secret that our caucus has some fundamental problems with the direction of the government. This bill starts the government down a road that, in our opinion, leads into a really very significant economic swamp for Ontario.

I will say this: I have no doubt that this year's budget, the 1996-97 budget, and the deficit targets will be met. It



is a budget in which the government has set its objectives in an area where it will, without question, hit the numbers. The problem for Ontario really begins in the second and third years, and this budget starts us down that road.

It's important that our caucus go on record as spelling out our major concerns with the direction. The way the place works, as you know, is that the government does what it wants to do. We raise the concerns; we attempt to change the government's direction. But they're on a mission. The Common Sense Revolution is under way, the government is going to do it, and we have no doubt about that. Here are the problems with it.

Firstly, the tax cut: I would say that we were somewhat surprised in the budget that the tax cut was actually not implemented as quickly as the government had planned to do it. From our perspective that makes more fiscal sense, but we were surprised. I think most people in Ontario will recall that during the election campaign — probably about a week and a half before election day — the now Chair of Management Board, Mr Johnson, and the famous Dr Mark Mullins, who is the government's House economist, had a meeting, a press conference, and spelled out the plans for the tax cut. What they said there was, "Note the revenue decline in the first year, 1996-97" — this budget year — "as the first half of our tax cuts take effect." Then later on in the documents they spelled out — this is called the "Direct Fiscal Impact of the Common Sense Revolution" — that the first half of the tax cut was going to kick in effective April 1. The revenue loss was going to be \$2.2 billion.

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Now we find in the bill that the tax cut is not going to come in quite that quickly, and the reason we were surprised is because I think most of the government members have said: "This tax cut is our big job-creating engine. This is going to be" — I'm paraphrasing one of the members — "the biggest job-creation engine in the history of the province." So we were mildly surprised that this great job-creating engine has been put on the side track for a while. Part of the cut will come in July 1, and then it will get up to 15% on January 1. Frankly, I think that makes some fiscal sense, but I was very surprised because, as I say, I think the government had said this was going to be the big engine to create jobs, and sure enough we find in the budget very, very disappointing job numbers.

As a matter of fact, we see that in 1996, the first full year of the Common Sense Revolution, we actually find about 25,000 more people out of work in Ontario than there were in 1995. As a matter of fact, by 1998 there will still be more people out of work than there were in 1995.

In talking to finance officials, they say, "The reason is that when you've got the economic growth that we're predicting, job growth can be no greater than we're predicting," and so we find, after three years, that the government's own projections show there'll be fewer than 300,000 jobs created in the province of Ontario when just less than a year ago this government got elected by saying, "Our plan will create 145,000 jobs a year, 725,000 jobs in our five years." Three of those five years are recorded here, the last two years aren't recorded here, but showing job creation well less than 100,000 a year.

That's the first disappointment in the budget, that what had been promised to people on social assistance — they were told, "Listen, we're going to cut you back, but we're going to see all these jobs created." For people on social assistance, there are actually going to be more people out of work in 1996 than there were in 1995 and in fact more people out of work in 1998 than there were in 1995. That's the first disappointment in this budget bill.

The second thing I would say is that for us in the opposition, we are signalling that in the 1996-97 budget, the one that was just presented, the bar has been set so low on the deficit target that you will exceed that. I don't think there is any economist out there who doesn't believe that, but I also don't think there is any economist or any fiscal person who doesn't believe you are starting this province down the road to a significant fiscal problem, for these reasons.

Firstly, the tax cut, which has been delayed, as I say — and you see in the detail of the budget that the tax cut for this fiscal year will cost about \$1.1 billion, but when it's fully implemented, when the full 30% is there, it's over \$5 billion. What does that mean? It means over 10% of the revenue of the province is gone. It means that the deficit that we see right now, we have to find another roughly \$5 billion of cuts to deal with it. It means that whereas this government ran in opposition on a platform of saying, "We are going to have to cut expenditures by approximately \$6 billion, but we're not going to touch classroom education, we're not going to touch law enforcement, we're not going to touch health care," we now find that the cuts are far deeper than this government ran on. As a matter of fact, by their own admission, the cuts are at least a third bigger than the campaign promise. Why? It is to fund the tax cut.

I think the people in Ontario are beginning to realize the fundamental unfairness in that, where you are asking people to make incredible sacrifices to fight the deficit — as a matter of fact, I think most people in Ontario are prepared to make very significant sacrifices to fight the deficit. So you'll find that municipalities now have about half of the support from the province that they had before this government was elected. Municipalities are saying, "All right, we're prepared to do our share to fight the deficit." What's happening, I might add, is an incredible number of brand-new user fees. In fact, as you will recall, Madam Speaker, an awful lot of the debate around what was called Bill 26, the omnibus bill, was around municipalities saying, "We're going to need the right to impose a whole bunch of new user fees." Sure enough, the province cut support to municipalities in half and we find that, lo and behold, all of these new user fees are being imposed. But municipalities are prepared to do their bit to deal with the debt and deficit.

Support for people on social assistance has been cut by 20%, and I think every one of us has had individuals and families in to see us asking for help on, "How can we cope with that kind of cutback?" I say: "Well, the reason you're having to deal with that is the province says they have this huge deficit and debt problem that has to be fought, and it is a significant problem. So you used to get \$1,000 a month for your family. You now are going to



get \$800 a month and you're going to have to deal with that." But then they find when the budget comes out that someone in this province making \$150,000 is going to get a \$5,000-a-year tax break.

I have real difficulty in explaining to people that the debt and deficit is such a big problem that we all have to fight it, but magically this province, this government, can afford an incredible tax break. As a matter of fact, if you look at provincial governments that have dealt with their fiscal problems, without exception they have first got their budget balanced before they started offering tax breaks. In fact, the Premier of Alberta's recommendation to this government is: "Don't do the tax cut. Get your fiscal house in order first, then look at the tax cut." This government is fond of using New Jersey or some of the US states — I think it's a very different situation and a very different social climate, and I frankly don't want Ontario to be New Jersey. But the States have essentially balanced budgets by law, and do not have debt essentially by law. Very different circumstances.

So the first thing I would say about this budget bill is, it is starting us down the road to the 30% tax cut that I think is a fiscal nightmare. Now, I will say to the government members, I know you're going to do this. I know the 30% tax cut will be done. It is a core belief of the true believers of the Common Sense Revolution, not to put more money into people's pockets, but because the 30% tax cut will dry up the source of government revenue and force more and more cutbacks. So if there is one thing this government will do, it is the 30% tax cut. But I just assure you that we are starting ourselves down the road to a very significant fiscal problem and the cuts that we've seen so far are going to have to be much deeper and much broader and much more severe.

As a matter of fact, I think one way to illustrate that is to look at the government's own plans on deficit reduction. You can see that the deficit reduction this year, the fiscal year we're just starting into, is about \$900 million. Then it has to go to \$1.6 billion, then another \$1.8 billion, then another \$2.2 billion, and then another \$2.6 billion. So the deficit reduction each year gets bigger and bigger. That's the first point.

The second point is, the tax cut gets bigger and bigger and bigger. The lost revenue gets larger and larger. Some may say: "Well, that's great. People are going to have this great tax break." But it is a tax break going to the best-off in our province, over half of it to families making more than \$90,000 a year, and every penny of it borrowed money, because as the government points out in its own document here, this government is going to add \$22 billion to the debt of this province, and I will say over that —

*[Failure of sound system.]*

There are some interesting things in the budget that are reflected in this bill. The government shows here that the debt of the province this fiscal year is going to go up \$4 billion. How could that be if the deficit is going up \$8 billion? It's a cute little trick that no company would ever get away with. You could never report your debt this way in any public company.

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But the government conveniently went out and pre-borrowed about an extra \$4.5 billion, ran the cash up, had

cash on hand coming into the year, and is simply going to use that cash up and then show — I frankly think it's an absolutely phoney — deficit number and debt number. It's here on this page, where we are going to spend \$8.2 billion more than we bring in in 1996-97 and the debt is going up \$4 billion. How could that be? Because the government went out before the last year-end and borrowed a whole bunch of extra money.

I think you are assuming the public are fools. The public will see through this, will see that over the next four years you have chosen to take the debt of the province up \$22 billion. You'll try and report some other strange number, because you came into this fiscal year with an extraordinary amount of cash on hand. One thing you were able to do was to blame the NDP for some of this, because you went out and borrowed it and said, "Well, that was the debt that the NDP left us." But, by your own admission here, the province came into this fiscal year with \$11 billion in cash on hand, absolutely unheard of — it's on page 58 — and you're going to show a lower increase in the debt by using up those liquid reserves, that cash on hand.

Why do I say all this? Because I think those on the back bench probably need to say to the Minister of Finance, "Let's make sure that we do one thing, and that is, we don't try to fool ourselves or the public."

One of the reasons why, in my opinion, this year's budget will be a slam dunk to hit is that you were able to move a bunch of expenses out of the 1996-97 fiscal year back two years, back three years, and some of them back into last year. It's good politics. Any new president that takes over a company tries to do the same thing, and any new government tries to do the same thing, I guess.

But I'm just saying to the members, because you will be going to the people in an election in 1999, probably the year 2000, just when these things are all beginning to hit, the full impact of the tax cut you've delayed somewhat, so it's going to hit later. The 1996-97 budget is, in some respects, artificially put together, because you've moved quite a few expenses out of this fiscal year.

I would also say, actually, that the economy has performed much better in 1995 than most people thought. I think it came as a bit of a surprise to everyone when the final GDP numbers were out and we see that the economy in 1995 grew at about 3%. So you have had two good years of growth: 5.5% in 1994 and 3% in 1995.

For the province, we are beginning to sow the seeds of our own recurring fiscal problem with this tax bill that lays the groundwork for the 30% tax cut, that promises 725,000 jobs in five years, and we find now that job number is disappearing. That commitment is virtually gone. By your own numbers, we see fewer than 300,000 jobs created in the first three years, and I think it's fair to say we have yet to begin to feel the impact of the layoffs in the public sector.

I think we all know May is happy month when, for this government, there will be no bad news. There's a bye-election coming up. The people in York South will hear no bad news out of the government. All layoffs for the public sector have been put on hold. The roughly 10,000 public sector jobs that are going to disappear are not going to be announced, I wouldn't think, until three or



four days after the by-election is over. The education community has been begging the ministry to let them know what their finances are going to be for the future, but that's been delayed. May, as I say, has been designed to be happy month. Why? Primarily to try and bolster the government's chances in a by-election, and in my opinion to be less than forthcoming about the impact of the finances of the province.

What we see in this budget bill is the beginning of the 30% tax cut. I mention also that we were a bit surprised to see a delay in the employer health tax relief for business. I think the Common Sense Revolution said that in year one there would be the elimination of the employer health tax on payrolls of \$400,000. That was delayed until January 1997 and then phased in over three years.

We have a debate that only time will tell. In our party we have major reservations about the direction you're heading. We think it's taking Ontario down a road that will prove to end up with incredible winners, incredible losers and a divided Ontario. I think it will not be that long before Ontario begins to recognize that the price that is being paid by the winners to punish the losers is not worth it.

**Mr David Tilson (Dufferin-Peel):** I've watched the member for Scarborough-Agincourt perform over the last number of years. He's always been a fine finance critic for the Liberal Party, and it's interesting to know that he's been put now in a very difficult position of fighting tax cuts. It's a rather remarkable position to be put in. In effect, the thesis of his presentation today and the presentation he's made in this House before is simply to say that tax cuts aren't appropriate.

The people of Ontario have come to the conclusion that we've had enough taxes. We've reminded the member for Scarborough-Agincourt constantly that over the last 10 years there have been 65 tax increases, some from his party and some from the New Democratic government. The people of Ontario don't want any more taxes. We can't be any more clear.

During the last election we promised we would cut taxes, and we've done that. We promised a 30% tax cut rate. That's what the people wanted and that's what we're going to give them; you know we're going to give them that. We promised restructuring. We submitted, and the people of Ontario believed us, that there was too much government existing in the province of Ontario, that there were too many government officials getting in our face, that there was too much red tape. It was too difficult to do business in Ontario.

Albeit some of that isn't in the government — there's a Red-Tape Review Commission that's working to reduce red tape — certainly the philosophy of tax cuts, restructuring, getting rid of red tape has been promised and we're going to honour that commitment.

These are promises. Essentially the member for Scarborough-Agincourt is telling us: "Don't honour your promises. Don't honour your commitments." We're doing exactly what we said we were going to do; there's nothing new about this.

Normally, when you hear "budget" you wonder what's going to be in the budget. There were no surprises. Everything we said we were going to do is in there:

getting rid of the employer health tax, the tax on jobs. I can only say that we're doing exactly what we promised with respect to this budget.

1550

**The Acting Speaker (Ms Marilyn Churley):** Your time is up. Further questions or comments.

**Mr Pat Hoy (Essex-Kent):** I want to compliment our finance critic on his fine job of bringing out a capsule form of what this budget means and in an understandable way.

The 30% tax cut promoted by the government is its big job creation program. I think our member puts it quite matter of factly that if that is the case, why are they phasing the tax cut in so slowly and jeopardizing the ability of those who are looking for jobs that very opportunity?

Adults are looking for jobs in my riding and indeed probably in ridings all across Ontario. Those persons who will be laid off by this government are going to be seeking employment and hoping and indeed praying that this government will deliver on its job creation plan, the 30% tax cut.

The youth are looking for jobs this summer. I have many coming to my office or calling or making comments as I meet them personally, "I can't find a summer job." Of course they're looking for a job in order to pay for the tuition increases that are coming through, caused by cuts in this government's frenzy to bring about its planned tax cut. Tuition fees for people I meet who have two and three children in universities are going to be very, very burdensome. So we're hoping that the job creation plans of this government will succeed, although we find that its numbers simply are not going to create 725,000 jobs here in Ontario. I feel very badly for the people who are seeking employment and have all their hopes with this government.

**Mr Rob Sampson (Mississauga West):** I appreciate the opportunity to speak to —

**Mr James J. Bradley (St Catharines):** Has he got the insurance bill ready?

**Mr Sampson:** We're just about there with the insurance bill, as a matter of fact, but we'll speak to the budget since that's the topic to be discussed today.

I would like to speak to my friend from Scarborough in regard to the comments he makes with respect to job creation. I know he always wants to refer, certainly when it's to his advantage anyway, to the Ontario budget papers, although he tells me when we're talking about this being an attachment to the budget it is not a piece of the budget, but now he always wants to refer to this as actually a piece of the budget. He tells us that there is in fact effectively no change in the unemployment rate. I would say to my friend that he needs to move up his focus on this particular page a couple of lines to look at the category talking about labour force and employment.

What he fails to recognize is that the plan we've laid out in this particular budget will actually encourage more people to get back into the workforce. That's why the employment levels are going up. That's why the number of job opportunities are going up.

I say to my friend from Scarborough — he tells us that is bad news. I don't think it's bad news that we're



encouraging more people to get involved in the job market in the province of Ontario. It's a hope of prosperity they have not had over the last 10 years that was taken away by the two previous administrations, and that frankly this province deserves to finally get. I suggest to the member that when he takes a look at page 39 and other sections of this document, he might want to refer to the job creation category, and indeed our challenge to create 725,000 new jobs will be met.

**Mr Bernard Grandmaitre (Ottawa East):** Strange, but our finance critic, some three weeks before the budget was announced, called us or invited us for a special meeting in what to expect in the budget. I can feel for my friend from Dufferin-Peel who's so upset with the comments of our critic for the simple reason that he's right on; he's telling the truth. What Bill 47 or the budget speech was going to do was to camouflage the 30% tax cut that people are expecting and, as he pointed out, will receive. People in Ontario will receive their 30%, but at what cost?

His speech was right on when he said that this government will have to borrow \$22 billion in the next four or five years to pay off this tax cut. I realize that people don't need or don't want any more taxes, but the fact is it's camouflage; it's a cover-up on the part of the government for the simple reason that they will increase the Ontario debt and taxpayers will be paying for it. I think it's very unfair to criticize our finance critic, because he's telling the truth. This is what it's all about, the truth, and this government is not used to hearing people telling the truth.

As far as jobs are concerned, I don't think they will ever meet their job quota, for the simple reason that they will have to raise more revenues in order to create more jobs and the jobs are not there at the present time and will not be there four years from now.

**Mr Phillips:** I appreciate the chance to respond to a couple of comments. The member for Mississauga West talked about the number of people out of work. It actually was Mike Harris who said, when he was going around with the Common Sense Revolution: "There are more than half a million people unemployed in this province. The bottom line is that Ontario needs jobs." I can remember him railing about the half a million people out of work.

My only point on the job situation is this. These are your numbers: half a million people out of work in 1995. You are going to increase the number of people out of work in 1996 by 25,000 people. There are going to be 25,000 more people unemployed, looking for work, than there were in 1995. Then you say, "We're creating jobs." You said this plan, by the way — and it was taking all the credit for it — would see jobs created at the rate of 145,000 jobs a year. Your own numbers: 78,000, 101,000, 108,000. You are way behind your own targets. You set the objective; you ran on this platform; you promised all of the people of Ontario you would do this.

To my colleague from Dufferin-Peel on the 30% tax cut: Frankly, and I've said this many times, when you came out with the 30% tax cut, I happened to be meeting with a group of financial and economic people and I came back in and said: "What do you think about this?

How should we respond?" They said: "It is ridiculous. It is nonsense. You can't cut personal income tax by 30%. You will get the province into a fiscal nightmare from which it won't recover."

Now you won the election on it. All right, I understand that. I thought it was a fraud then, I think it's a fraud now and I still don't like it.

**The Acting Speaker:** Before I call on the member for Dovercourt, if you could take your seat for a moment, I'd like to recognize the former member for Muskoka-Georgian Bay, Dan Waters, who is here with us today in the gallery. Welcome.

**Mr Chris Stockwell (Etobicoke West):** Point of order, Madam Speaker: I think that was unparliamentary calling us frauds. I would ask the member from Scarborough to withdraw.

**The Acting Speaker:** Did you have a point of order?

**Mr Stockwell:** Yes, I think it was unparliamentary of the member for Scarborough-Agincourt to suggest the government are frauds.

*Interjections.*

**The Acting Speaker:** Order, please.

**Mr Bradley:** On the point of order, Madam Speaker: It is quite obvious that the member for Etobicoke West simply wants to get the tie his daughter gave him on television this afternoon and that's why he rose on that particular point.

**The Acting Speaker:** I would ask all members to please stick to the debate. I believe we're talking today about the financial bill. Would all members please try to temper their language so as not to provoke each other in the debate. Thank you.

The member for Dovercourt, try again.

**Mr Tony Silipo (Dovercourt):** I want to say first of all, before I get into discussion of the budget, that I think the member for Etobicoke West's tie is very nice.

I'm pleased to have a chance to join in the debate and to lead off debate for our caucus on this. I would just like to ask, because I believe we have unanimous agreement, that we split our opening 90 minutes between myself and my colleague the member for Rainy River.

1600

**The Acting Speaker:** Is there consent? Agreed.

**Mr Stockwell:** Pardon me, is there a question and answer after each one?

**Mr Sampson:** Not after each one.

**The Acting Speaker:** Come to order, please. The member for Dovercourt, proceed.

**Mr Silipo:** There probably will be enough time to do questions and answers if you wish as well.

**Mr Stockwell:** That's right, on each one.

**Mr Silipo:** Sure. Only if you sit there and listen to the whole thing.

On a more serious note, let me just say I am pleased to have the chance to speak to Bill 47, which is, as has been noted, the budget bill presented by the Harris government to implement the major measures that are within the budget. I think it's worth just reviewing some of those measures.

The primary one — because there are about 10 different parts to this bill and one important schedule — the first, and I know from the perspective of the government



probably the most important part, is that which implements the 30% income tax cut. Then it goes on to deal in part II with the employer health tax reductions, in part III with the amendments to the Land Transfer Tax Act — that's a reduction of about \$1,725 of tax to first-time home buyers — and so on and so forth with a number of other measures.

The reason I listed some of those is to say, first of all, that taken individually, there indeed are a number of measures which I, for one, would quite frankly find welcoming in the sense that who would not want to see a reduction not only in their basic income tax but indeed in such things as the employer health tax, which I think is a way to help create jobs, particularly in terms of supporting small business; certainly a small help and a reduction for people who are buying their first home in terms of the land transfer tax; and one could make similar arguments with respect to some of the other provisions.

I find, for example, particularly interesting under part VII of this bill the amendments to the Corporations Tax Act, which provides a surcharge on banks in respect of their taxable paid-up capital that exceeds \$400 million, and then allows for a tax credit against that amount for those banks that provide loans to small businesses, something which I think is a useful initiative.

I will be interested in seeing how that flows out over the next year, but I have to say that the principle of it, the concept of saying that we should be encouraging and, through the tax system, providing avenues for banks to see that there is an advantage when they do that, as opposed to paying a surtax or a surcharge, when they in fact do what they should be doing, which is to provide help through loans to small businesses, that is something where the government, I think, is fulfilling a role it should be playing and it's something certainly I would support.

The point I want to make, first of all, is that if you were to take this bill in its parts, there are a number of things we could easily come to and say, "We agree with this part; we agree with that part; we agree with that other part." However, the overall scheme this bill presents cannot be taken in isolation, because we know that what this bill does is to implement in essence the thrust of the government's Common Sense Revolution.

What they're trying to do here of course is to put in place what they believe are the good news aspects of the Common Sense Revolution. Last week when the Minister of Finance read the budget, we heard that it was presented and it was spun out and it was played out as a good news budget, with tax cut after tax cut. I think one could forgive the average citizen of the province if they were taken in a little bit by that because they would see that here's a government that's cutting taxes. They sort of said that's what they would do and they're doing it, so they are living up to their promises, aren't they? One could forgive the average citizen if he or she were to come to that conclusion. But of course it's worth reminding ourselves that what this government is doing, through the budget and now through this piece of legislation, has got to be looked at not in isolation of this one bill, but indeed as part of its whole fiscal and economic strategy.

We need to remind ourselves that long before the budget was read last week, we saw in this House and,

more importantly, out in the real world, where these things take effect, that the Common Sense Revolution, unlike what its writers profess it to be about, which is creating jobs and creating prosperity, has been — and, I will argue, will continue to be — about devastating the Ontario society that we have developed and built up over the last number of decades under Conservative governments, Liberal governments and New Democratic governments.

What we see in this bill is only one part of that. For the other parts we need to go back to only days after this government took office, back in July of last year, when it announced a series of cuts beginning, interestingly enough, with a cut that affected the poorest citizens in our province, people who have had, through no fault of their own, to rely on social assistance to survive. The most severe cuts, it's important to underline and to remind ourselves, have taken place — announced in July, effective October of last year — to those thousands of people who are the poorest among us, those who have had to rely on social assistance, to the tune of almost 22%.

I remember when I was sitting on the other side and we were having a discussion on this topic about a year and a half ago. I remember the uproar on the Conservative benches at the time when I pointed out to them that that kind of cut is roughly the equivalent of saying to people on social assistance, "You now find a way to survive on the basis of about 10½ months' worth of benefits." There was a huge uproar saying, "No, no, that won't be the case. We will provide other incentives, other ways," which only has taken place after we managed to drag the Minister of Community and Social Services into recognizing what he was doing. Then they managed to change the rules and allow for people to be able to earn up to the original amount.

The point still remains that what we have left as a result of that first — and I think most significant — action of this government is that the poorest citizens were the ones not only to be hit the hardest but to be hit the first, to be cut the hardest and to be cut the first. Why do I continue to stress that? Because when you juxtapose that against the tax cut we see so prominently displayed in this legislation that's before us today, we see very clearly the two extremes.

We see that what this government is all about is not cutting taxes to create jobs, but cutting taxes so that it can benefit the wealthiest citizens in our province, because even after it's rolled in the various provisions of the employer health tax, the truth remains that those who benefit, far and large, from the tax cuts are those citizens who are among the most well-off.

We've seen lots of figures bandied about, but whatever numbers you want to settle on, the reality is that for the average family in this province the value of the tax cut — and there will be a benefit; people will get a 30% tax cut. I am one of those who have said from the beginning that that was one of the promises — probably the only promise — that I actually believed Mike Harris would implement, because I have seen throughout this whole process, certainly since the government took office, how intent Mike Harris has been on instituting this 30% tax cut.



I think it has nothing to do with job creation, and I want to get to that point a little later. I think it has everything to do with ensuring that the wealth of this province and the power in this province are shifted in such a way as to benefit those who are already relatively well-off, because for the average family, the small benefits that will come to them by virtue of this 30% tax cut, which when you really break it down in terms of what it means, not just on a yearly basis but what it means in the way in which most working people actually deal with their money, which is on a biweekly and sometimes a weekly basis, we're talking here about a tax benefit that might come to a few dollars a week.

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What's the other side of the ledger? That same family, that same taxpayer, can't simply say, "Wow, I've hit the jackpot. Now I've got \$5 or \$6 or \$7 or \$8 or maybe even \$10 or \$15 more a week in my family budget," because what's happened is that at the same time, and in fact in order for this government to be able to afford to provide this income tax cut, it has slashed funding to school boards, \$400 million just in this one year alone, which the Minister of Education himself has acknowledged really means about \$800 million to \$1 billion in cuts. That is just in this fiscal year alone, because not even in the budget — because of course it's supposed to be a good news budget — did we hear about what cuts will come to the school system next year. We all know there will be more cuts to come to the school system next year and likely even the year after, again despite the promise that was made that there would be no cuts to classroom education.

So that same taxpayer and that same family, at the same time as they look at the benefits that come from this 30% tax cut, are going to also be looking at how to fork out that money, how to pay that out in increased property taxes that will come from school boards and that will come from municipalities as those two bodies, to mention just two, are looking for ways to make up for the cuts this government has put upon them.

I mentioned the cuts to education. Cuts to municipalities — and I see the Minister of Municipal Affairs and Housing is here. I know they like to say it's only 3% to 4% of what —

**Hon Al Leach (Minister of Municipal Affairs and Housing):** It's 2%.

**Mr Silipo:** It's 2%, he says, of what a municipality has to deal with. Of course, he ignores the fact, shown by their own figures, that over the next two years they have cut by 44% the level of money that they transfer to municipalities.

You will recall, Madam Speaker, as a member of our last government, the howls that we heard not just across the province from municipalities but indeed from Conservative members here when we, in our efforts to deal with the need to bring government spending down, reduced by 1% — and that's comparable to the 44%, not to the 2% that the Minister of Municipal Affairs wants, but the 44% — funding to municipalities. Yet they want to tell people that a 44% cut in funding to municipalities is nothing to be worried about.

Well, municipalities are worried about that, just as school boards are worried about that, and we are seeing

the results of their actions. We are seeing that they simply cannot absorb these kinds of cuts without either in turn slashing services or increasing taxes. Those taxes are being increased in some cases directly, up front, through property tax increases, or they're being done through a whole series of other taxes such as increases to TTC fares in Metropolitan Toronto, increases in other transportation, in other bus fares, increases in a whole variety of user fees right across the province in a whole array of services in order for municipalities and school boards to be able to make up the difference.

To go back to the one taxpayer that this government used to like to talk a lot about, but I certainly haven't heard from either the Minister of Finance or even the Premier, particularly the Premier, much talk these days about the one-taxpayer concept —

**Mr Bud Wildman (Algoma):** No, they're blaming the municipal leaders.

**Mr Silipo:** They're blaming the municipal leaders instead. Exactly. They're saying: "It's not our responsibility. It's not our fault if municipalities and school boards are increasing taxes and increasing fees. They can do what we're doing. They can just find ways to cut." To cut what, I would ask? To cut basic services like teachers in the classroom, like transportation services such as Wheel-Trans for people with disabilities. What can be cut in the eyes of this government that would not affect in a significant way the basic services we need to have if we want to continue to be the good, healthy, prosperous society that the Minister of Economic Development, Trade and Tourism likes to talk about when he says Ontario is a good place to invest. It's these things — our school system, our structure of social services, our health care system — that make Ontario a good place to live in.

When the United Nations has said for a couple of years now that Canada, and Ontario within that, is the best place in the world to live, it's because they look at all these things we have. They see that we have a good level of service.

I would be the first to say that changes can and indeed need to be made. We ourselves not only recognized but took steps to implement a number of changes to make sure we were using taxpayers' dollars wisely, but that's far different from the slash-and-burn approach we have seen from this government.

**Mr Stockwell:** Tax-and-spend approach.

**Mr Silipo:** The tax-and-spend approach, my friend the member for Etobicoke West says, but one of the things he might be interested in looking at, because I know he's a man of numbers, is program spending. This government prides itself in how they're bringing spending down. Again I say to you that some of that needs to be done, but when you look back as we did at the last economic statement we issued in 1995 and compare three five-year periods, 1980 to 1985, when program spending increased by 2.9%, interestingly enough those were during the Conservative years.

During the time of the Liberals, from 1985 to 1990, we saw program spending increase by 4.5%, during good times, and I'll have a little bit to say about the Liberals later on.

Then, during the time that we were the government, program spending increased by 0.3%.



**Mr Stockwell:** You're nuts.

**Mr Silipo:** Take a look at the figures.

**Mr Stockwell:** I've got them right here.

**The Acting Speaker:** The member for Etobicoke West, come to order.

**Mr Silipo:** The point is this. I think all of us, whether we're politicians in this House or the average citizen out there, understand that there has to be some attention paid to the deficit and there has to be some attention paid to the amount of the public's money we spend, but we also have to see that our responsibility is not simply to that bottom line; our responsibility as government and as legislators is to ensure the wellbeing of our citizens. We will argue, obviously, from time to time about the best way to do that, but the reality is, I hope, that this remains and will continue to remain our objective.

I have trouble most inherently with what this government is doing when it tries to portray the tax cut as being the end-all of its promises, as being the way in which it's going to heal the economy of the province, because it will not do that, first of all, and secondly, it is trying to change what the same government said in their Common Sense Revolution.

1620

**Mr Stockwell:** On a point of order, Madam Speaker: I'm very sure the member for Dovercourt wouldn't want to leave the wrong impression with the public, but program spending went from \$38.9 billion to \$44.6 billion —

**The Acting Speaker:** The member for Etobicoke West, take your seat. That's not a point of order.

**Mr Howard Hampton (Rainy River):** You've been here six years now. Don't you know the rules yet?

**The Acting Speaker:** Order, the member for Rainy River. The member for Dovercourt, please continue.

**Mr Silipo:** I'll be happy to pass to the member for Etobicoke West the document I read from. I'm sure if he wants to read from some other documents, he'll be able to do that just as well.

**Mr Stockwell:** I've got the budget. You've got a pamphlet.

**Mr Silipo:** I read from the last budget statement that we issued in 1995.

**The Acting Speaker:** The member for Dovercourt, address the Chair.

**Mr Stockwell:** You didn't introduce a budget in 1995.

**Mr Bill Murdoch (Grey-Owen Sound):** We didn't even have a House in 1995.

**The Acting Speaker:** The member for Grey-Owen Sound, come to order.

**Mr Silipo:** I'm quite happy to read, if you want me to —

*Interjections.*

**The Acting Speaker:** Order, please. The member for Dovercourt, would you continue and address the Chair, please.

**Mr Silipo:** Madam Speaker, I find it interesting that when I refer to something, as I believe I did, which was the budget statement of 1995 — it wasn't a budget. I never said it was a budget; I said it was a budget statement of 1995. Interestingly enough, that's the same title

the Minister of Finance put to his November economic statement. He called it a budget statement.

**Mr Stockwell:** But it was not the budget; I'm talking about the budget.

**Mr Silipo:** Well, that's fine. The member for Etobicoke West likes to refer to the budget that was tabled by the Minister of Finance recently as if that's the gospel. Well, it's his choice to do that. We can argue about the numbers, but the numbers are there and we will see them.

The point I was making is that this is not the first government that's realized that program spending needed to be looked at. But unlike this government, what we did when we looked at the need to reduce spending was that we did it in a way that tried to protect the basic services we have in this province. We didn't simply go around slashing by 44%. We didn't go around slashing \$1 billion a year from education. We did it in a humane way. We did it in a way that said: "Let's sit down with our transfer partners. Let's work out how we can get from where we are now to a point at which we can afford the level of spending in this province." We took some lumps for that, but that's the approach we took.

Let me come back to the basic point I see behind this bill and the budget it purports to implement. While this government wants to try to make the tax cut the centre of its actions, I want to remind this government that what it said was that its key commitment and promise in the election was not just the tax cut. The tax cut was seen as one point of a five-point plan to help create jobs in this province. The Common Sense Revolution says: "A Harris government will immediately implement a five-point job creation plan. This plan will generate economic growth and investment in Ontario and create more than 725,000 new jobs."

Why, you may ask, are we continuously bringing this point back to the government? Because I believe that is the commitment against which their actions need to be judged; because that is the overarching commitment that they made. Within that they made a number of other commitments. One of them certainly was the tax cut, and I've acknowledged that the tax cut is something that I believed they would do and that indeed they are doing. But they also said they would bring about that tax cut in a way that would reduce other government spending "without touching a penny of health care funding. Other priority areas of law enforcement and classroom funding for education will also be exempt." Well, we are seeing how those promises are not being kept.

We will look at the estimates that were tabled today and follow the actions of this government with great interest, but I have no hesitation in saying that we will see at the end of the day that those other key promises were not kept and will not have been kept, because we are seeing cuts to health care: \$1.3 billion announced not in the budget but announced last November.

**Mrs Helen Johns (Huron):** Over three years.

**The Acting Speaker:** Order, please. The member for Huron, come to order.

**Mr Silipo:** "Over three years," says the parliamentary assistant to the Minister of Health, and she's quite right, but it will be cut, and we will see what's happened to



that sealed envelope in health. We've already seen in education the \$800 million which the minister himself has admitted is really what the \$400 million in cuts mean, and how that is being done in a way that is in fact taking teachers out of classrooms, because there is no other way to take that amount of money out of the school system of this province without affecting classroom education.

**Mrs Johns:** Of course there is.

**Mr Silipo:** "Of course there is," says the parliamentary assistant to the Minister of Health, but then you tell me why it is that school board after school board is having to either increase property taxes or in fact lay off teachers? Those are the choices they've got.

You can say to them, "Well, if they raise property taxes, that's their choice," but again what you've done is forgotten about the one taxpayer. You've forgotten about the fact and you're sloughing off on to the school boards your responsibility to live up to that commitment you made.

That is something else we will continue to remind this government of and continue to make them uncomfortable because we know they are realizing that's a promise they are breaking.

Then there was the other commitment to law enforcement in this province. We have been seeing, day after day, as the Solicitor General and the Attorney General try to explain, the myriad of schemes they are cooking up to get away from that basic commitment. In fact, even today I listened with interest to the Attorney General when he was explaining the cuts that are happening and trying to explain many of them away on the basis of agreements and arrangements with respect to the legal aid plan, and his own numbers — in fact he talked about a budget number for 1996-97 of some \$655 million.

Unless I've been given the wrong book and the wrong page, this one, if the member for Etobicoke West is here I would tell him, is actually from his own minister's budget paper and says that in fact the Ministry of the Attorney General is supposed to have \$637 million in its budget in 1996-97, which is less than what the Attorney General today said he would have. One could ask at the very least what happened to that other \$20 million or so; or what's going to happen.

What we know is going to happen is it's not going to be available for law enforcement; it's going to be somewhere else. Again there's another promise that will be gone.

One of the other things we are seeing, therefore, on this question of jobs, is in fact — and this is why we keep coming back to this point of what is the commitment that the government made. The government made a commitment to create 725,000 new jobs and to do that in a number of ways.

Ministers are still claiming that they will meet that commitment. We will see. But again if we go just by their own numbers — not our own, their own numbers — interestingly enough these numbers were not ones the Minister of Finance proudly read out in his budget address. They weren't even numbers that were in the background documents. They had percentages, they had everything else, but they didn't have the actual numbers. Interesting, you might say.

Why wouldn't they? If this was their first commitment, if this was their primary commitment, if reaching this objective of 725,000 jobs was seen to be the overarching objective and goal of this government, why wouldn't they simply have a little chart that would say to us, "This is how we're going to get there, year by year. Here are the numbers, here are the targets"?

We had to go hunting around. We had to go ask the bureaucrats in the Ministry of Finance what objectives would be met over the next couple of years. You know what they told us? They told us 289,000 jobs by 1998. Those haven't been disputed by the minister, so those are the numbers. That's a long way from 725,000. Now, I know that's 1998, it's not 2000, so there are two years after that, but what this government is having us believe is that they will create or help create in that two-year period alone over 400,000 jobs. We'll see.

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The reality is that if you look at the job growth projection, if you look at the projections they have in terms of how much the economy is going to grow, it just isn't going to happen. You know why? I'll give you just one reason. If you look back at the basic gospel — remember that? — the Common Sense Revolution, the last chart — unless again, maybe you've changed this one too; I don't know. The last chart I see there in the appendix says they're expecting growth — I'll just go from 1998 right through to the year 2000 — of over 4% a year. The numbers in the budget and in the attachments to the budget show that in fact growth is nowhere around that number. So again, they've projected the 725,000 jobs on the basis of a growth that isn't going to materialize and it's not going to be there.

The most troubling part of all this for me is what has happened in order for the government to achieve what it has now seen and is now trying to categorize as being its predominant job creation scheme, which is this famous 30% tax cut. In order to do that, it is actually borrowing money it doesn't have so that then it can redistribute it out, again in a way that benefits those who are the most well-off in our society, and it is doing that to the tune of almost \$5 billion a year by the time the tax cut is fully implemented, borrowing that kind of money in order to put it back out in a way that benefits those who are the most well-off when we know again that those are also not the individuals who are likely to spend that money here in Ontario and hence create the jobs this government is telling us it wants to create.

**Mr Stockwell:** Where are they going to spend it?

**Mr Silipo:** The member for Etobicoke West says, "Where are they going to spend it?" Far be it from me to say, but the indications seem to be that where people are likely to spend it, those who are going to get enough to be able to spend after they pay for all of the other tax increases you've caused, is overseas, or they're likely to put it in the bank —

**Mr Stockwell:** And that's not good?

**Mr Silipo:** That's not going to create the jobs. That's not necessarily bad, but it's not going to create the jobs that you want. That's the point I'm making. It's not going to create the jobs you want.

Again, time will tell, obviously. I have to say that obviously a part of me would like nothing more than to



be wrong about this, because we all want to see the jobs created; we all want to see the economy come back to the way it needs to be. But I have to say I just don't see it. What's worse is that in the meantime we have sacrificed service after service in order for the government to achieve this famous 30% tax cut.

We are seeing cut after cut that takes teachers out of classrooms, that means the quality of education is being seriously impaired. We are this week dealing in committee with Bill 34, which now adds insult to injury because it not only takes away funding for junior kindergarten and not only takes away the structure and funding for adult education, but it also starts for the first time to try to get property tax dollars from areas like Metropolitan Toronto and Ottawa and bring those back into the coffers of the provincial government. In other circles and at other times, that would have been called double taxation. Under this government it's called equitable financing.

I think people will see. Unfortunately for all of us as a society, it may still take a bit of time for people to fully realize what this government is all about. The sad reality is that with the large majority they have, whether they hear the public or whether or not the public understands, they will continue with this crazy approach to try to heal the economy of the province.

It will not work, because the Ontario that will be left after Mike Harris is finished is not the Ontario we all want; it's not the Ontario my parents came to; it's not the Ontario to which my parents and many like them helped to contribute to build; it's not the Ontario that those who have been here for generations, who have gone through the Depression and through the Second World War, have helped to build. It's a very different Ontario that Mike Harris is proposing to us, and that is what I find most troubling.

There is this approach by the Tories that says, "We don't want to mortgage" —

**Mr Wildman:** "Let's hurt the children of today to help them tomorrow." Let's throw them out on the street now. They'll feel better for it next week.

*Interjections.*

**The Deputy Speaker (Mr Bert Johnson):** I'd like to hear the speaker. I would like the rest to wait their turn and would ask for a little better deportment, please.

**Mr Silipo:** I know that my Tory friends like to talk about not wanting to mortgage our children's future, and you know there's an element to this that one cannot disagree with, but they have to ask themselves what every family has to ask itself: How do you build a healthy family, a healthy community and a healthy society? You don't do it by saying, "When there isn't enough to go around, we will just starve one of the members of the family or of the community." You do it by saying, "When there isn't enough to go around, we each get a little less in the meantime but then we try to work on how we can get enough to go around." That should be the goal of government. It shouldn't be to bring us all down to the lowest possible common denominator; it should be to build up. It should be to increase the wealth and potential that we have in this province.

That's what I see is the role of government, the very best in government, and that's what I see is frighteningly

missing from the approach Mike Harris has. It is a view of the world that says: "The only way we are going to survive is by going to a survival-of-the-fittest mentality. We will simply forget about those who are not as able, those who are less fortunate, and we will simply support those who can."

That is not my view of the world. It's not the kind of world I want my son to grow up in and I know it's not the kind of world my constituents want to see for their children. I represent an area made up of people who have been in Ontario for generations and large numbers of people who are still relatively recent to this country and to this province. They are all people who share a very strong work ethic that says that by working together, we build a society, but they are also people who see that government has a role to build, not to destroy — to work with the community, to work with business, to work with labour, to create the wealth we need in this province, and then to make sure that wealth is fairly distributed so that we don't have the rich getting richer and the rest of us simply getting poorer by the day. That, sadly enough, is what's happening as a result of the actions of this government.

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We've heard a lot about the records of all the governments, of all the parties that are now represented in this House, and I just want to say that even in the depth of the recession — and remember the recession; it's something that people seem to forget about when they try to categorize the actions of the former NDP government. It's as if we were continuing during the boom years when we had the Liberals in government. I find it difficult to resist some of the criticism that has been lodged at my Liberal colleagues in terms of some of the things they could have done and should have done to deal with the growing needs of the province during those years, but they chose not to.

The point is that when we governed, we governed during the worst recession since the 1930s, and that meant we had some difficult decisions to make, sometimes good decisions and sometimes perhaps not the best decisions. But they were decisions that were made with a view to maintaining services, they were decisions made with a view to maintaining the very best that we had built up in Ontario, and they were decisions that were made with a view that recognized that through no fault of their own, thousands and thousands of people had lost their jobs, had had to go on unemployment insurance, many on social assistance, and that it was our duty to see to it that, while we developed ways in which those individuals could be helped out of that dependency over a period of time, during that time they were in need they also continued to receive the support that was required.

So when you look at the increases in spending, you can see that happen as a result of those very real needs that were there during that time. I know the members opposite would prefer to forget about that, would prefer to suggest that we governed during healthy times, we governed during times when in fact we just simply spent because that's the way we are. Well, I think the people of the province know differently. I think the people of the province will realize, as they look at what this govern-



ment is doing, that not only will it not create the kind of prosperity through its actions that it says it will, but it will also leave Ontario a much worse place to live in. There will be a lot of rebuilding that will have to be done; there will be a lot of making up that will have to happen.

Let me go from that to talk about a couple of other observations, and then I know that my colleague will want to pick up from there.

One of the things I found interesting, as I listened to the speech and looked through the other measures that were set out in this bill and all the verbiage that accompanies it, is that everything this government is doing in terms of the tax cut, in terms of the employer health tax cuts, they of course like to express in terms of what they will mean by the time they're fully implemented. Well, of course, the time that they're fully implemented isn't until 1999, which is also more or less around the time that the government will likely, unless they have some other ideas about extending the term of office — about the same time as they are intending to and will have to go back to the electorate for another election. So we will of course not really have a situation in which people will ever have felt the full impact of those cuts, because even in 1999 — some of the provisions which kick in at the beginning of 1999 perhaps we will see, because we don't know yet with respect to the 30% tax cut. We do know with the employer health levy, because the dates are in this bill on that part of it.

The other point I wanted to make is this. It's a little bit farfetched to take, in any calculations that we hear from the ministers or the members opposite, a benefit at full accrual of all of these things, whether it's on the tax cut or on the employer health tax, and then to claim that's what people are going to have. The reality is, they're not going to have all of that for another three years, and at the same time, the cuts that people are having to live under are being felt not three years from now but now, because the cuts in the classroom that I talked about, the increases in property taxes, are being paid today and they far, far outweigh the benefits for the next year and even the year after that for the average household. They far outweigh the benefits of any of those tax cuts.

Another point I want to make is this: I heard earlier on in one of the speeches the great pride with which members talked about their budget as being the first budget that cuts taxes. Well, that may be. In terms of their pride, I'm sure that's true and that's genuinely felt. I hate to bring them down to reality but the sad truth is, it isn't true. This is not the first budget in 25 years that cuts taxes.

The employer health tax: You want to take a look at that. We had in place back in 1993 in the budget a provision that said we would cut the employer health tax in a way in effect that created more jobs than what this measure is going to do, because it actually cut the employer health tax for new employees, which meant that there was a really built-in incentive for employers to hire, knowing they would not have to pay for the first year at least the employer health tax. We didn't say that's on the basis of \$200,000 of payroll, as they are doing now through this bill, for the first year; we just simply said as a small business, which picked up all of the categories.

I'll be interested to see the job numbers that come out of the different categories that we have because, again, even though the big promise was "We will cut the employer health tax for businesses under \$400,000," that won't happen until 1999. People out there might have the impression that it's going to happen just as soon as this bill is passed. It's not going to happen until 1999. Some of them will get the benefit starting next year in 1997 — businesses with payrolls of under \$200,000.

I was trying to get some numbers — I couldn't get any numbers in time — because I wanted to share them with people. But I don't think that's going to be a large number of the companies we are talking about. However, I don't say that because I'm opposed to that. I think it's a good measure. I said that at the beginning of my comments. I make the point again that what we have here is a little bit of a sleight of hand in terms of how these things are positioned, because you give people the impression that these big cuts are happening and yet they're not happening until 1999, and you want to claim the credit for them happening now. We will see what happens in 1999, but we will also see in the meantime people paying the price for those tax cuts. That is something we will all have to bear.

The other thing I just want to say — and I want to finish after that because I want to leave some time for my colleague — is we all are involved in this partisanship game, but I would have thought that in a number of the measures that we heard about in the budget there would have been at least a little bit of decency or a little bit of credit given where credit was due, because we saw when the Ontario savings bonds, which the Minister of Finance said proudly that he was going to redo this year — and, again, I think it's a great idea; we saw that when we instituted the Ontario savings bonds — and it would have been useful to at least have a word in there to refer back to the former Minister of Finance, the member for Nickel Belt, as having been the one who introduced that provision back a couple of years ago, and to point out that there were close to 150,000 people in that first year who invested some \$1.6 billion in the first issue of the Ontario savings bonds. I'm happy to see that is something that's continuing.

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I would have been happy to see, as I say, some credit given to the former government for that. I would have been equally happy to have seen in effect the labour-sponsored investment funds as something that there would have been some acknowledgement about in terms of where that has started, because one of the other things we are seeing through this budget is a repackaging of —

**Mr Stockwell:** It's a write-off for the rich.

**Mr Silipo:** Well, your minister says it's a good initiative.

**Mr Sampson:** Yes, but do you think it's a good initiative, a tax write-off for the rich?

**Mr Silipo:** It's not a tax write-off for the rich, it's an investment potential that brings funds. Your own Minister of Finance has recognized that's useful.

But the point I think is this: We are going to be seeing — and we will see this more and more over the next little while as minister after minister will stand up and



reannounce crunched-down versions of initiatives that were there before. In fact, I pointed out earlier today that I thought the Minister of Economic Development, Trade and Tourism was going to announce the new jobs initiative, which again they call Partnerships for Growth, for jobs and growth, which I will expect to see in the next few weeks. I expect, even though it's going to have \$50 million attached to it, it will be nothing more than the previous initiatives that we had, obviously trimmed down because the dollars are much less than they were before, and with perhaps some slightly different wording, but essentially the point being that, again, what this government is doing is cutting first and then it's coming back and saying, "We're going to put a little bit more here, a little bit more there." They've done this in this area. We've seen it in the children's area in terms of the nutrition issues, in terms of a number of other provisions that are in there, and I could go on and on talking about that, but let me just conclude in this way.

This government will continue to do what it wants to do. There is no doubt about that in my mind. I have said from the very beginning that this government would implement the 30% tax cut. There were some who said, "No, no, it won't do it." I was one of those who said, "No, I believe they will, because I think Mike Harris's credibility rides so strongly on that."

What I think they are now trying to do, and this I do not believe they will get away with, is to say that in fact the tax cut was the key promise they made. It may have been the most prominent, but it was not the key promise they made. The key promise they made was that they would create jobs, 725,000 in particular, and that they would do that, first, by reducing income taxes, and secondly, by protecting spending in health care, in classroom education and in the justice area, to name just three. Those promises are not being kept, they will not be kept, and we will see over the due course of time those promises revealed as being broken, and then we will see whether this government and this Premier and this Minister of Finance are prepared to stand up and admit once and for all that they haven't kept their promise.

**Mr Hampton:** I feel very badly in that I know the member for Etobicoke West wanted to speak. I know he wanted to give us his version of the world. For want of a better expression, I call it The World According to Garp. He'll have to wait. I'm sure we'll hear about it none the less.

I want to generally cover three areas in my comments today. First of all, I want to talk about the impact of this government's budgetary and fiscal direction on northern Ontario, because I believe northern Ontario is where the pain of this government is being felt the most. I want to go through just some of the examples.

Take a city like Thunder Bay; I want to run through what's happening in Thunder Bay. The Ministry of Natural Resources is going to lose at least 50 staff in Thunder Bay; likely, when the cuts are fully implemented, it will be closer to 100 staff. The Ministry of Transportation is going to lose at least 50 jobs in Thunder Bay. In the Ministry of Environment and Energy, at least 50 people are going to lose their jobs in the Thunder Bay area. In the Ministry of Northern Development and Mines

there are going to be significant job losses in Thunder Bay. In the rest of the provincial civil service in Thunder Bay, at least 50 people will lose their jobs.

At Lakehead University, at least 100 people are going to lose their jobs. At Confederation College, they're already up to about 80, and the expectation is that very soon at least 100 people will lose their jobs.

This is just with the cuts this year; this is not talking about the cuts that are going to happen next year and the year after.

The boards of education in the Thunder Bay area are looking at 200 people losing their jobs. In health care, we're looking at close to 200 people losing their jobs.

The government will tell you that out of this comes good news. When close to 1,000 people are losing full-time, permanent jobs, that is not good news. It's not good news in Thunder Bay; it's not good news anywhere else in the world. For a government to somehow try to butter it over and say, "This is good for society," is nothing less than nonsense. Then to package it up and say somehow that it is common sense is to do injustice to the English language. Someone called it "doublespeak."

But northern Ontario doesn't consist of Thunder Bay and Thunder Bay alone; let's go to small towns. Let's go to a small town like Atikokan. Tomorrow the MNR cutbacks will be announced. I'll make a prediction: At least 10, closer to 15, people at the Atikokan MNR will be out of a job. Do you know what that means? No income. No pay. No money to put clothes on children's backs. No money to pay for food. No money to pay the mortgage. This government says that's good news.

That's not the end of it. There's no more fire base in Atikokan, so you talk about the loss of a further 10 jobs. The board of education is going to cut teachers in the small town of Atikokan, and the hospital already knows that there are going to be health care cuts. The hospital is writing the Minister of Health and saying, "We are trying to understand why we should try to keep this hospital open, because when we see the cuts you're imposing this year, the cuts you're imposing next year and the cuts the year after that, we are cutting off our arms and our legs in this hospital, and we wonder what the sense is of trying to keep this institution open."

The government says this is good news, this is good for the economy. Atikokan is a small town with a little more than 4,000 people. We're talking about the loss, in the small town of Atikokan, of at least 30 full-time permanent jobs. The government says this is good news for people.

Let's go to Ignace. Ignace is a small community of 1,500 people. It's going to lose people from the Ministry of Natural Resources office, it's going to lose people from fire crews, it's going to lose about 10 teachers and it's going to lose some other people. A small community of 1,500 people is going to lose over 20 full-time permanent jobs. This government says it's going to be good news.

We could go, community after community, across northern Ontario. None of those communities has any good news, none of them. It is job loss after job loss in every one of those communities: Ministry of Transportation job losses, Ministry of Natural Resources job losses,



Ministry of Northern Development and Mines job losses, teachers losing their jobs, nurses losing their jobs, other health care workers losing their jobs, people who do community and social service work losing their jobs — again and again. Yet the government says this is good news. Over 2,100 staff in the Ministry of Natural Resources will lose their jobs, and 1,000 of those will be in northern Ontario. The government says it is good news.

1700

We had barely enough equipment and crews this winter in northern Ontario to look after the roads and highways when the weather was good. Whenever we had a snowstorm, the Ontario Provincial Police had to close the highways. There was no other choice; there simply wasn't the equipment or the staff to maintain regular transportation services. The government says this has no impact on the economy. Well, if you can't get the wood to the mill, you can't produce. If you can't get the wood chips to the mill, you can't produce. If you can't haul the goods, whatever they are, across northern Ontario, it's a loss to the economy. The government says, in its budgetary and fiscal statement, that this is somehow good news.

I'll tell you how hard up this government is for good news in northern Ontario. If you read the budgetary document, they list a number of paper mill renovations, pulp mill renovations and some new mill projects, and they try to pretend that somehow these things have something to do with this government. All of these projects were announced at least two years ago. All of them have been under construction for at least a year. None of these projects has anything to do with this government — not one whit. For this government to try to take credit for that is nothing less than fraud. These decisions were made over two and a half, three years ago; they were implemented two years ago; construction started over a year ago. All I've got to say is, thank God those decisions were made two and a half and three years ago; otherwise there'd be a lot of other people out of work in northern Ontario. But this government deserves no credit for that.

If anything, this government is putting the boots to the northern Ontario economy. It's putting the boots to northern Ontario transportation, it's putting the boots to northern Ontario highways, it's putting the boots to northern Ontario health and education infrastructure, it's putting the boots to northern Ontario's natural resources, it's putting the boots to northern Ontario's environment, and it's having an incredibly devastating effect.

That's going to be the impact of this government's budgetary and fiscal policy in northern Ontario. Those are the cuts. This government wants to pretend that its actions in terms of cuts bear no relation to its decisions as far as expenditure and taxation are concerned. Well, they're intimately connected, and that's where northern Ontario loses again.

It's very clear if you do some budget analysis that the people who get the biggest benefit out of this budget are people with incomes above \$80,000 a year. They will get a substantial tax cut. I look around northern Ontario communities and I don't see many people who make \$80,000 a year or more. I look around communities like Atikokan or Ignace and I see maybe one or two people in those communities — maybe no one.

It's pretty clear if you look at this budget and you factor in all the hidden taxes that are happening that people who make under \$50,000 a year are losing. When I look at northern Ontario communities, I see a lot of people who make under \$50,000 a year. As a result of this government's cuts to education, as a result of its cuts to health care, as a result of its cuts to municipalities, as a result of its cuts to policing — yes, even a service that is so basic as policing — people in northern Ontario are going to pay higher and higher and more and more hidden taxes.

Property taxes are going to go up. Municipalities have no choice. If they're going to maintain sewer and water services, street and road services, if they're going to maintain police services, they have to push up property taxes. School taxes are going up, because boards of education have no choice. It comes down to, in some communities, either lay off all the teachers in the school or raise property taxes. So they have to raise property taxes.

People are seeing library user fees, people are seeing higher garbage tipping fees, people are seeing higher business licence fees and oh, yes, then there's the overall new tax across northern and rural Ontario. It's going to be called a head tax for policing, something that used to be available to us because we were citizens. Now, under this government, you'll have to pay a local head tax if you want to have police services. Then we go into tuition fees for colleges and universities. If you have a daughter or a son in college or university, those fees are going up as well. All of those are hidden taxes.

If you add it up, in my part of the province if you're someone earning under \$50,000 a year, yes, you get a bit of a tax break. It's not worth a whole lot. But then on the other side of the ledger when you add up the property taxes, the school taxes, the library user fees, the recreation user fees, the garbage tipping fees, the business licence fees, the new head tax for police services, tuition fees and more, it's very clear that people in that under \$50,000 tax bracket have lost and they have lost significantly from this government.

What about the people from, say, \$50,000 to about \$80,000? Most of them are basically treading water. Yes, they got a bit of a tax break, but once again, if you add up the property taxes, the school taxes, the library user fees, the recreation user fees, the garbage tipping fees, the business licence fees, the head tax for police services, the tuition fees for college or university, the new health care user fees, the drug benefit user fees, those people are doing nothing more than treading water.

That's what this government has done to northern Ontario. It has put literally thousands of people out of work, it is risking the natural resource infrastructure, the natural resource heritage of northern Ontario, because quite frankly there aren't going to be enough biologists, foresters, forest technicians, planners, fish and wildlife people out there to properly look after the resource any more.

We are running an incredible risk with the natural resource heritage of this province. We are putting the very future of northern Ontario at stake because of these incredibly stupid cuts and incredibly harmful cuts. To use



an analogy, it is very much like taking a plot of good farm land and then taking away a good, experienced farmer and saying the land will somehow look after itself. We know the land won't look after itself and we know it's going to be abused and we know the economy of northern Ontario is going to suffer in the future from that abuse. That's how it works out for northern Ontario.

I want to talk just a bit about rural Ontario. This is a quote. It's from page 6 of the Report of the Mike Harris Task Force on Rural Economic Development, issued November 1994. It says: "Under a Mike Harris government, agriculture will regain its fair share of government support. That is why there are no cuts to agricultural programs in our policy plan, the Common Sense Revolution." A quote from someone called Mike Harris: "There are no cuts to agricultural programs in our policy plan, the Common Sense Revolution."

I look at the numbers in the 1994-95 budget. The budget for the Ontario Ministry of Agriculture, Food and Rural Affairs was \$475 million. Now, in 1996-97, the budget of OMAFRA is \$374 million, a cut of \$83 million so far.

There must be something wrong here. The now Premier promised. He said, "...no cuts to agricultural programs in our policy plan the Common Sense Revolution." Then we have an \$83-million cut: the promise and the reality.

That's not the end of it for people living in rural Ontario. That's not the end of it for farmers.

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*Interjections.*

**The Deputy Speaker:** We had a visitor in the gallery a little while ago. He's the youngest visitor that we've seen here for a long time. He used good judgement and was quiet, and I would ask that we copy ourselves from him.

**Mr Hampton:** The loss in services and the loss in operations in the Ministry of Agriculture, Food and Rural Affairs is not the only pain that rural Ontario and farmers in Ontario are going to suffer, because the reality is, if people want services from the ministry in the future, they will pay for virtually every service they get, services that used to be provided by the Ministry of Agriculture, Food and Rural Affairs to farmers because they were farmers and because it was felt important to support farmers and to support rural development and agricultural development in the province.

Those services will no longer be available. If you want to have them now, you will pay fee after fee after fee after fee. These are otherwise called hidden taxes. If farmers in rural Ontario want, for example, to take advantage of agricultural research, they will have to pay a fee, a tax. If they want information on new technologies that are available, they will have to pay a fee, a tax. If they want expertise, if they want to talk to one of the experts, they will have to pay a fee, a tax.

What's happening here is that not only have the services been cut, but in the future, for those services that will be available, people will have to pay more and more and more taxes. The government hopes that by calling them something else, people won't recognize them for taxes. The fact of the matter is, they are taxes.

But that is not the end of it for rural Ontario, because the fact of the matter is, those parts of the province that are least able to cover the cuts — the cuts in transfers to education, health care and policing — from this Conservative government are people in rural Ontario. It will be rural schools and rural school boards who hurt the most, and we've already seen evidence of that. We saw the member for Victoria-Haliburton sidle up to the Minister of Education and, wink, wink, nudge, nudge, "Can you do a special deal so that my board of education doesn't hurt so much from the cuts?" They hoped they'd be able to swing a quiet deal behind closed doors, but lo and behold, some of the government's own backbenchers found out about it and they started sounding the alarm, and then the rest of us found out about it. It seems to me that it's obvious from the conduct of cabinet ministers in the government and backbenchers in the government that they know that rural Ontario school boards and rural Ontario municipal taxpayers will be the least able to cover the cuts in transfer payments from this government.

What will happen? Yes, rural Ontario school boards, rural Ontario schools, rural Ontario classrooms, rural Ontario children are going to suffer the most from these education cuts.

It will be the same in health care, because quite frankly, as this government's cuts to hospitals filter down through the system, it will be the smaller rural hospitals that will have the most difficult time justifying their financial existence. They will lose more and more of their services, and some of them will close.

Then there's roads. The fact of the matter is, this government has cut huge chunks out of the road budgets of rural municipalities, huge chunks. They don't call the Minister of Transportation the Minister of Potholes for nothing. Drive over any rural highway now, over any rural road, and you will see why people call him the Minister of Potholes, because that's what this government is creating in terms of its cuts there in rural Ontario.

Then there's the question of police services. I referred to this just briefly a while ago. It used to be the case in this province that by virtue of being a citizen of the province, people received police services. It was considered a basic essential service in the community. This government now intends to rewrite that. This government intends to in effect force a municipal head tax on people in rural and northern Ontario to pay for policing. This government intends to impose a head tax on residents in rural and northern Ontario, a head tax to pay for police.

This is what the map looks like for people in rural Ontario. Huge cuts to the Ministry of Agriculture, Food and Rural Affairs. If people want to receive some of the services that have been available in the past from the Ministry of Agriculture, Food and Rural Affairs, they pay more taxes. And then we have the reality that it will be rural schools, rural hospitals, rural roads and, yes, rural police services that are going to suffer the most from this government's cutbacks in those areas. That's what's happening in rural Ontario.

I want to talk now just about the overall direction of this government's budget and finance policies. The government says they are trying to stimulate consumer confidence. That's the line they put out there. They say:



"We're trying to stimulate consumer confidence. We're trying to stimulate the retail sector." Well, let's just look at some of the underlying realities.

How does the government expect that it is going to stimulate the retail sector, going to stimulate consumer confidence, when every day people pick up the paper and read about more job losses? They read about job losses at the hospital. They read about job losses at the university, the college, the boards of education. They read about job losses in ministries of the government. They read about further corporate downsizing. They read about even very profitable corporations like the Bank of Commerce, for example, that runs a \$1.5-billion profit and then two weeks later announces that it's their intention to lay off another 2,000 people. In that context, how anyone thinks that consumer confidence can be created is beyond me, and I suspect it's beyond the majority of people in this province.

But it goes even deeper than that. The government says — and I want to focus on the word "says" — that they are trying to stimulate consumer confidence. The reality is that the government isn't trying to stimulate consumer confidence. If they wanted to do that, there's a much more direct way of doing that. If you really want to put your focus on the retail sector and you're a government that believes that tax cuts are the way to go — and this government believes that — then reduce the sales tax. That bears directly on the retail sector, the sales tax.

But I say again, this government is not interested in stimulating the retail sector. That's what they say; that's the line they're putting out there. What this government is really interested in doing is transferring economic resources — money — from lower-income families and middle-income families to the wealthiest people in the province. When you look at the whole map, that's what they're doing.

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Lower- and middle-income families lose when health care is cut. They lose when education is cut. They lose when police services are cut. They lose when their municipalities are cut. They lose from all those things and they lose when user fees — hidden taxes — are added, when property taxes go up, when education taxes go up, when health care user fees are imposed, when library user fees are imposed, when garbage tipping fees are imposed, when a head tax is imposed to cover the cost of rural and municipal policing. They lose when tuition fees go up.

If you look across the whole map of what this government is doing in terms of its fiscal and budget policy, money is being taken away from lower- and middle-income families and transferred to the wealthiest people in this province. It is the wealthiest people in this province, people who have incomes of over \$80,000 a year, \$150,000 a year, \$200,000 a year, who are getting the big tax break. Their tax break far overwhelms the new hidden taxes and user fees that are being imposed, but working families, lower- and middle-income families, are losing from this government.

The government says that what it's trying to do is stimulate consumer confidence, stimulate the retail sector.

That's the spin line they've put out there, but when you look at the numbers, the reality is that they are transferring money — resources — from lower- and middle-income families to the wealthiest people in this province, and that is shameful.

But more than that, this is not going to do anything for the economy, because I invite people to look at what's happened in other jurisdictions where a tax break has been focused on higher-income individuals. This is not new stuff; this is old stuff. This is not some revolution. This is a copycat of what's been tried in the state of New Jersey and it's a copycat of what Ronald Reagan tried in the United States in 1982-84.

The fact of the matter is, Reagan said, "I will lower taxes for higher-income earners," and then he had the gall to say — although you have to remember Ronald Reagan was not the smartest person; he admitted that himself — "Those people who get the high income tax break will then go out and invest in the economy." That's what he said. The reality of what Reagan said and did is that the tax break higher-income people got went in several directions. A lot of it wasn't invested. A lot of it was socked away in retirement pension plans; that didn't result in new jobs. A lot of it was used to buy a new condominium outside the country; that didn't result in new investment or new jobs. A lot of it was used to buy a new Mercedes or a new Jaguar; that didn't result in new jobs.

Some of it did get invested, but it got invested in Singapore, it got invested in Taiwan, it got invested in Mexico. That didn't result in new jobs in the United States. For the little bit that did get invested in the United States, what it produced in terms of new jobs was not much at all. Historically, now looking back at it, over 60% of the new jobs were jobs that paid a pittance. They weren't jobs people could raise a family on. They weren't jobs people could contribute to a community on. They were jobs that have earned the description "McJobs" because they were jobs at the Pizza Hut or the McDonald's. They might help if you could string three of these jobs together, but they certainly weren't the kind of jobs you could build an economy around.

That's exactly what's going to happen here. The tax cut here has overwhelmingly gone to the wealthiest people in the province. The wealthiest people in the province will engage in some conspicuous spending, some conspicuous consumption. They may buy their new Mercedes or their new Jaguar, which will do virtually nothing for the Ontario economy. They may invest offshore, which will do nothing for the Ontario economy. They'll salt their money away in a retirement savings plan, which will do nothing for the Ontario economy. The government puts out the spin that somehow this is going to create a lot of jobs. The historical facts from elsewhere show it's not true. They show it's not true at all.

Where is this going to leave us? Where is this budget going to leave us? It's interesting, if you read some of the comments of some people from outside; the May 7 edition of the *Globe and Mail*, an article by Martin Mittelstaedt: "Ontario Sees Debt as High as \$130 Billion by 2001." Mr Mittelstaedt is quoting from the Bank of Montreal and a couple of other financial institutions that



have looked at the budgetary and fiscal direction of this government. In other words, the debt will rise from \$97 billion to \$130 billion. Mr Mittelstaedt points out that a big chunk of this debt will be incurred because the government wants to give this tax break to the wealthiest people in the province.

The government, by its own figures, indicates that the deficit is not going to drop. If you consider the cuts that have been imposed over the last year — and the government says they're worth about \$8 billion — how is it that the deficit is only going to drop by less than \$1 billion? The reason the deficit is going to drop by less than \$1 billion is because it takes a huge whack of money to give to those wealthiest people in the province the tax break this government promised was coming their way. That takes us back to the argument I started initially, and that is what is happening here is that working families, lower-income families, middle-income families are seeing losses in health care; they're seeing losses in education; they're seeing losses in municipal services; they're seeing their property taxes go up; they're seeing their school taxes go up; they're seeing all kinds of new hidden taxes. In other words, they are losing and the only people in this province who are going to gain from this government are the wealthiest people in this province.

That's what this government is all about, that's what its budgetary and fiscal direction is all about, and that is what people are going to see as the job losses continue to appear, as the cuts in health services continue to appear, as the cuts in education continue to appear, as the cuts in our communities continue to appear.

I'll make a prediction that if this government continues in the direction it has set, we will not see more jobs in this province; we will see a province that will have to struggle to keep its head above water in terms of job creation. We will not see the deficit go down. If anything, the deficit will either stay the same or go up. We will not see reduction in the debt. As the Bank of Montreal has forecasted, the debt will increase. We will not see the services in health care or education or protection of the environment or the protection and good and wise use of our natural resources. We will not see any of those things. Either we will see those things continue to deplete or we will see the standards continue to drop.

The government, in my view, has chosen a dead end in terms of its budgetary and fiscal direction. Unfortunately, it will be the people of Ontario who have to pay the price for this government's right-wing ideology.

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**The Deputy Speaker:** Questions and comments?

**Mr John Gerretsen (Kingston and The Islands):** I'd certainly like to compliment both of the colleagues from the New Democratic Party for kind of putting it the way I see it as well, and that is basically —

**Hon Mr Leach:** You all look alike.

**Mr Gerretsen:** No, we're not all alike. No, no, no. You might think we're all alike, but we're not all alike.

The one thing I just cannot understand about a party that claims it's spending \$1 million an hour on the public debt is how it can allow the public debt to increase by another \$20 billion over the next four to five years. That's really what this budget and Bill 47 are all about.

If they had simply put all their cutbacks on the yearly deficit and the public debt, then I think there could be some sympathy for them out there, even though their cuts are much more severe than I certainly would like to have seen.

The problem is that over the next four to five years they are going to give back, by way of this tax cut, about \$15 billion to the taxpayers of Ontario. Do the taxpayers like it? Some of them do; no doubt some of them do. Would we all like a tax cut? Obviously we would, but it just doesn't make any sense to allow the public debt of this province to rise by a further \$20 billion as the result of a \$15-billion tax cut. That's really what all the cuts that we've talked about over the last eight months and all the cutback in services are all about.

They'll pay the price for it. We know they'll pay the price for it. Somewhere down the line they'll pay the price for it, because it just isn't the right thing to do.

**Mr Wildman:** I'd like to congratulate my colleagues from Dovercourt and Rainy River for their presentations on this legislation, and particularly their analysis in pointing out the connection between the cuts that we've experienced over the last number of months since the election and the promised tax cuts in this legislation.

I was struck, when I was listening, by the comments that were made across the way about the effects of the tax cut and reminded of a letter that appeared in the Sault Star this week, which was from a small business person who lives in my riding who indicated that she was not impressed with the tax cut in having worked out what it will mean for her in her return next spring, particularly since she has been hit with an increase in a user fee. She has advertisements along Highway 17 apparently — billboards — and she pays the Ministry of Transportation for the right to put these up, and she has just been informed by MTO that the cost of these two billboards has gone up by 133%.

**Mr Stockwell:** What are the whole numbers?

**Mr Wildman:** The whole numbers may not be that great. I'm not sure what they are, actually, to be honest, but 133% is an enormous increase in user fee and it is exactly what my colleague was talking about in terms of the tax cut being eaten up.

The other thing I'm concerned about is the effect on natural resources in northern Ontario and the fact that we are now speaking on the eve of the job cuts in the Ministry of Natural Resources, Northern Development and Mines. In one community in my riding, Blind River, 3,500 people are going to see a cut in the staff of the Ministry of Natural Resources tomorrow from a total of 38 now to 11 — 38 down to 11. They won't be able to do their job and the economy of that community is going to be devastated.

**Mr Stockwell:** I want to comment briefly on a couple of comments that were made, most notably by the member for Dovercourt. He has some interesting thoughts and statistics with respect to his government's record on spending and taxes and so on.

Let me be clear. The member said that in their reign of error during the 1990 to 1995 period, government spending increased on the program basis by 0.3%. He was reading a bit of propaganda put out by the then



Treasurer of Ontario in his department, Mr Laughren from Nickel Belt. The reality is, according to the budget figures in the budget books, spending under that administration rose during their time by some \$10 billion, in the range of 12% or 13%.

The member opposite offered me a little pamphlet they had produced, which again you could not make head nor tail of. They suggested the 1994-95 deficit in the province would be \$8.1 billion in this little pamphlet when in reality it came in at \$10.2 billion. I then said, let's go check with the bond rating agencies to determine what they forecast. So I went to DBRS and checked out to see what they had for their increase in government spending under the NDP. When you check the numbers there, they increased spending in that administration, in five years — four and some bit — 12%: a 12% increase in spending. The deficit figures went from \$3 billion to \$10.9 billion, \$12.4 billion, \$11.3 billion and \$10.2 billion.

I don't know if we should be taking too many lectures from the socialists in the province of Ontario about fiscal responsibility, financial accountability and budget forecasting. If you want to start talking about that, you better go back to school and revise some of the numbers you came up with.

**Mr Mario Sergio (Yorkview):** I am also delighted to add my voice to the concerns the two members have expressed with respect to the budget. It was nice to see that the members on the government side were actually consenting to what the two members were saying. It shows that the contents of the budget, as it was presented, are really hurting the people, and I see that the members from the government side were acknowledging that particular fact.

I'm delighted to see the Minister of Municipal Affairs here today, because I want to bring to his attention and to the attention of the members a couple of very recent increases in user fees which we have to attribute to the cuts the municipalities are receiving.

Let me say that every cut the government is proposing is a tax increase. The now Premier said during the election and after the election that there is only one taxpayer and we shouldn't be passing the buck to another level of government, and here we are. As late as the last couple of weeks, the city of North York has increased the fees for using indoor bocce courts from \$3 an hour to \$5 an hour. Can you imagine a senior who wants to spare one hour in recreation? They have to pay \$2 more an hour. What about the letter I received this morning in my own office saying I will have to pay \$75 for a response to a fire alarm or an alarm where assistance is required? Isn't this another tax cut?

**The Deputy Speaker:** The member for Rainy River has two minutes.

**Mr Hampton:** I want to first of all thank the members from all parties in the House for their interest in what my colleague from Dovercourt and I had to say.

Let me say first to the member for Etobicoke —

**Mr Stockwell:** West.

**Mr Hampton:** West. It's hard to know what position he's in one day. He sits in about five different seats in the House, so it's hard to know really where he's trying to represent himself as being from.

In the six years now that I've had to listen to the member for Etobicoke West, he seems to want to spin a different version of history. He's one of the members who wants to pretend that the free trade agreement was never signed, that there weren't job losses from the free trade agreement. He wants to pretend that a global recession didn't happen in the period from 1990 to about 1993. He wants to pretend — although it's interesting, in this government's budget papers they seem to be changing their minds now — that the federal government under someone named Brian Mulroney, between 1990 and 1993, didn't punish Ontario as much as they could in terms of cuts to health care, cuts to education, cuts to Canada assistance and cuts to legal aid. He wants to pretend that none of those things happened. I would say to him, read the history books. They all clearly happened. 1740

I should say to him finally that if he hopes that somehow by pretending these things he can pretend his way into cabinet, it's not going to work. Keep on pretending. It will be fun. It won't get you into cabinet.

**The Deputy Speaker:** Further debate?

**Mr Ted Chudleigh (Halton North):** I'm pleased to have this opportunity to comment today on such an important and historic piece of legislation. The 1996 Ontario budget will long be remembered as the document that began a brighter and more prosperous future in Ontario's history.

Many on the opposite benches may scoff at my comments. I will begin with a very definitive statement that this budget does exactly the opposite of what its detractors suggest. It does deliver. What it delivers to the people of this province is something that has been missing for quite a while, and that is hope. Hope is something that is difficult to quantify. Hope is that sense of optimism which changes things the most, that feeling we all look forward to with great expectation.

In the House today, we have a psychological war —

*Interjections.*

**The Deputy Speaker:** Excuse me. I think that we'll have to stop the interjections. The shouting out, the yelling out, I can't tolerate. I don't think that is the intent of it here.

**Mr Gerretsen:** But he has to speak the truth.

**The Deputy Speaker:** When I'm standing, I would appreciate the attention of those —

*Interjections.*

**The Deputy Speaker:** I'll not warn the member for Kingston and The Islands again.

**Mr Chudleigh:** In the House today, we have a psychological war that is occurring, wherein it is in the best interests of the opposition to criticize and strike fear into the hearts and minds of the population. To succeed in their cause, they must take the negative view of the future prospects of this province in the hope, ironically, that the government will fail.

The Leader of the Opposition painted a bleak picture of desolation and despair in her response to the budget, announcements reminiscent of disasters bearing biblical proportions. The question I have of the Leader of the Opposition and her colleagues is: Where, between 1985 and 1990, was the political courage needed to do the



right thing? Why spend and tax wildly in good times, knowing full well that the effects that these policies would have on the unsuspecting citizens would not be felt during their term of office? The legacy of high debt and deficits, increased taxation and the threat of losing total program spending would rob us of our future unless something was done.

In 1996, the Ontario budget stands as a beacon of hope for the people of Ontario; hope that the bills will soon begin to be paid; hope that tax relief is being delivered; hope that an elected government will keep the promises it made in a general election; hope that a new vision and direction will bring prosperity to this great province of ours.

But don't take my word for it. The people of Halton North have conveyed their feelings to me loud and clear. I surveyed opinions in my constituency from approximately 1,600 people and asked three questions about things such as tax cuts, balancing budgets by controlling the cost and size of government, and global competitiveness. Thus far, the response is overwhelming, with over 10% response in the first week. Some 94% of those surveyed agreed strongly with the direction our government has taken, people like Irene Saunders of Hornby, who gives her strong support for measures taken.

Irene writes: "I sincerely hope that the Conservative government puts its money where its mouth is and comes through with their promises. I think I feel as most Ontarians...do that the people of this province...are fed up with unkept election promises...."

So preach your desolation and despair and disaster to my constituents. I say to the Leader of the Opposition and the interim leader of the third party, tell it to my constituents. The people I will enter into the record are all hardworking Ontarians who understand the need for economic overhaul. In their minds, Band-Aid solutions will not fix what we currently face. Rather, a significant overhaul of the way we do business has to occur for real and lasting change in this province.

These constituents understand, unlike the interim leader of the third party through his recent comments, the differences between income tax and user fees. They understand that the critical difference between an income tax and a user fee is that one is mandatory and the other involves individual choice and the ability to exercise some control over it. They also understand that this government did not introduce the concept of user fees and in fact are well aware of their use over the past decade. They understand that government can no longer be all things to all people. Individuals therefore will decide what is and what is not important to them and their communities. By the way, not all municipalities and regions will resort to increased taxes, levies and user fees. I quote from another recent response:

"Dear Mr Chudleigh, thank you for your letter regarding your government's economic initiatives. In Halton region we remain committed to initiatives that deliver cost-efficient services in the most efficient manner possible. As you are aware, Moody's and CBRs recently recognized Halton's prudent fiscal management and planning by reinstating our AAA rating. We were successful in Halton region in 1996 to pass a budget that

allows for a 0.6% decrease in property taxes in the face of declining revenues.

"We will continue to do our part in meeting the current demands, while efficiently serving our constituents."

It's signed by Joyce Savoline, regional chair, Halton region. I must admit how envious I am of Halton region's AAA credit rating, something this province hasn't had for quite some time.

Halton is proof that prudent fiscal management and restraint need not lead to the temptations and quick fixes like property tax increases. Obviously, the words "can't be done" are not evident in the Halton experience. It proves one thing and one thing only: A simple word in the face of great challenge can make a great difference. That word represents hope and spirit of human will. That word is "can." It can be done. We will be positive about the future because we can provide a plan which leads to hope, opportunity, growth and jobs.

So to the parties opposite who decry, denounce and despair at the announcements and delivery of our promised tax cut, I say once again, tell it to my constituents. Tell it to Fred Barnes in Georgetown. Tell it to Brenda Sisnett in Limehouse, or tell it to Arthur and Harriet Cole in Milton. Tell it to Darren Jones, Josephine Clark or seniors Marion and Bruce McNab in Milton. Tell it to Tim McIntyre out on RR 3, Acton, who asked for even more breaks for small business and tells us to keep paying down the debt and deficit. Tell it to Darryl and Trudy Demille and their sons, Richard and Robert, out in Campbellville who strongly agree with the need for a tax cut and feel the hope and opportunity we are delivering to them and who are all planning their future with optimism in this great province of ours.

Your denouncements cannot take away the dreams of those I have mentioned and among the countless numbers of others who have expressed the same to me personally. While we're at it, try to sell your message of despair and desolation to those who have borne the load of taxation over the past decade. Tell it to the entrepreneurs and the business community in my riding. Try to tell them, "You don't deserve a tax break," after years of your governments putting their hands deeper and deeper into their pockets. Try to tell them they don't need a break from the new exemptions introduced in the employment health tax. Tell them they don't need relief from overregulation, duplication of services and government encroachment. Tell them they don't need a greater access to investment and equity capital to grow and expand their businesses with our initiatives to bring banks and small businesses together. Tell them they don't need a retail sales tax exemption on their 1-800 and 1-888 numbers or a \$20-million reinvestment for entrepreneurs to advance telecommunication application and infrastructure.

Tell it to Allan Cook at Springloom Farm or John Austen of Austen and Noble Insurance, tell it to the people at Realistic Material Handling Inc, all located in Milton. Tell it to Hawes, Smith and Associates in Halton Hills. Tell it to the Campbells at United Fire Safety Co, Doug Smith at Office Magic Stationery or Walt Dixon at Park Lincoln Mercury, all located in Georgetown. Tell it to Brian Johncox at Country Manor, or Mike Schram at Shoot Photography, and Mr Davis at Pro-Eng Buildings Ltd, all located in Campbellville.



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I challenge those on the opposite benches to dampen the spirit of those of us who respond positively to these initiatives and tell them why they don't need what they have been asking for all these years. But beware of certain reproach and the sardonic laughter that follows your comments.

I challenge those on the opposite benches to tell the people of Halton North why we don't need to create a positive business environment to help the economy grow. It is my submission to the House today that this is the very root of the problem that has plagued this province for so long: government telling people what they want and why they want it instead of the other way around. If the opposition understood this, they might not be where they are today.

We have looked, we have learned, we have listened, and now we are delivering. We are doing exactly what we said we would do. We are cutting taxes to generate economic activity, restore fairness to the tax system and create jobs. This budget cuts taxes 10 times, including the first permanent income tax relief for Ontarians since the early 1950s, and lifts payroll taxes from small businesses that create most of our jobs. We are investing in the priority services that we all value: health care and seniors and disabled, child care, summer employment opportunities for students, law enforcement and justice.

*Interjection.*

**The Deputy Speaker:** The member for Etobicoke West is continuously out of order, and I don't feel that this chamber warrants that kind of outburst. I won't warn you again.

**Mr Chudleigh:** Our plan is all about spending tax dollars wisely to ensure the future prosperity of this still great and soon to be unstoppable province.

We are doing these things because the electorate told us what they wanted and because they are the right things to do for Ontario's recovery. I am doing these things not only for the people of Halton North, but for my children and my grandchildren, Lynsey, Chelsea, Tyler and Jennifer. This budget creates opportunity, growth and jobs: jobs for now, jobs for the future and jobs for a return to hope for this great province.

**The Deputy Speaker:** Comments and questions?

**Mr Michael A. Brown (Algoma-Manitoulin):** That was a flight of fantasy, and I'm very interested to be up here.

I'm really happy to see that the Minister of Labour is here today, because I've just had a constituent fax to me a statement of account from the Workers' Compensation Board, and I think members, particularly those small business people, would be very interested in this.

Starting July 1, 1996, the WCB will charge \$100 minimum assessment on all reconciliation statements for 1996 and subsequent years. The minimum charge will now also apply to accounts reporting zero earnings up to reconciliation.

The small business community is going to be very excited to find out that when the WCB makes a mistake and they ask the WCB to reconcile that mistake, you're only going to have to pay \$100 in order for the WCB to correct their own mistake. I tell you, that is totally

outrageous. I cannot believe a government agency would do that kind of thing to the people of Ontario. When the WCB makes a mistake, small business in Ontario will have to pay \$100 to get the WCB to fix the mistake. Unbelievable.

He talks about job creation. He talks about small business. Did he tell the small business people that this government is going to borrow \$22 billion over the next four years? That's \$22 billion, all of which will have to be paid back by somebody, and I bet it will be their children and their grandchildren, as this government makes a pathetic effort to buy folks with their own money — actually, their children's money.

**Mrs Margaret Marland (Mississauga South):** It's always really exciting to listen to the rhetoric of the official opposition and the third party in response to the excellent speech made by the member for Halton North. I say that because technically we're supposed to be commenting on the member for Halton North's part in this debate, as the former Treasurer sitting now at the Hansard table is confirming for me.

Are you double-dipping, Mr Former Treasurer? I'm sorry. It could be a very humorous debate, except for the seriousness of the subject.

Those of us who have sat on that side of the House and listened to both parties when they've been the government, the Liberals for five years and then the New Democratic Party for five years, listened to what they did for job creation in this province. For example, the employer health tax, the commercial concentration tax and the other 61 taxes of the former Liberal government did zero for job creation. It did so much damage to the economy in this province because it hit the small businessman.

When you look at what the immediately former government did, other than that they had a good Treasurer who struggled to try to balance the books — do you know how hard they struggled to balance the books? They had two sets of books, that's how well they did it, but we will no longer have two sets of books, on the recommendation of the Provincial Auditor.

**Mr Bruce Crozier (Essex South):** I listened very closely to the comments of the honourable member for Halton North because, having worked with him for two weeks earlier this year, I know him to be a man of honour. As a matter of fact, we worked on the auto insurance hearings, and I'm surprised that he, along with the parliamentary assistant to the Minister of Finance, is not after the government for dragging its feet and not introducing automobile insurance legislation in this House, because in the meantime rates are escalating, people are getting thrown into the Facility Association and yet we see nothing from this government. I'm sure it's not because the honourable member for Halton North isn't trying to do something about it.

I knew him at that time too, and I still do, as an honourable person, but it's a little suspect, when a survey goes out and some 1,600 people reply, that we didn't hear one that was negative. I'd be very surprised if the member for Halton North, out of those 1,600, didn't hear at least one that had a little negative concern about what's going on.



He did mention that there hadn't been a personal income tax cut since the 1970s. I would like to correct the record on that. There were a number of tax cuts throughout the years. While the basic income tax rate for all Ontarians has not been cut since 1972, income taxes for the working poor have been reduced numerous times, including 1989, 1990, 1991, 1992 and 1993, just to correct the record.

**Mrs Marion Boyd (London Centre):** I too would like to comment on the member for Halton North's speech. I was quite amused to listen to his list of people, and he may have heard, although he may have been concentrating too much, that we were all speculating as to whether that was his donor list or whether that was his executive list or what it was. We're teasing you. That is part of the give and take of this place.

What really did strike me in the member's talk was his concentration on those who already have in this society. I'm sure there are many hardworking constituents in the constituency of Halton North who are not well-to-do and who do not own their own businesses and who do not stand to gain from the overall fiscal and economic policies of this government.

I was quite taken that the member made this comment about his constituents being hardworking. I think there were a number of us in this House who wondered whether the member was suggesting that our constituents are not hardworking when our constituents are clearly taking a different view on this whole budget.

We had a large number of returns that we brought into this House — over 100,000 returns; they're still coming in — overwhelmingly from people who did not enjoy the tax cut idea and who felt that the cuts had been too deep to other people and who wanted that changed. Yet we had a few returns, definitely, that said the opposite, but a very small proportion, and we have admitted that as we've went along.

It's really important for us, as we listen to the member, to recognize that he is speaking about a very small

proportion of the population of this province, and I would dare say even of his own constituency, well-to-do though it is, and that this approbation for the budget is not shared by those who will not gain.

**The Deputy Speaker:** The member for Halton North has two minutes.

**Mr Chudleigh:** I thank the members for their comments. The comments from the member for Algoma-Manitoulin on the WCB rates: I don't believe I mentioned WCB rates in my comments, but we have frozen those rates for a period of time while we restructure that mess that has been going on in this province over the past decade. No other government has had the courage to attack that problem, and this government is taking a firm hold of it.

I would thank the member for Mississauga South, who sits in a riding previously held by my uncle, for her kind comments regarding my speech.

The member for Essex South is, of course, a gentleman of the soil perhaps like myself and worked for the great H.J. Heinz Co in the past. We share those relationships, having had a respect for the hard work and contributions that agriculture and the food industry make to this province.

You're quite right; in my survey of all those responses, I, like the NDP, did get a few responses that were negative. There were two actually, and the two that were very negative were unsigned so I was unable to respond to them.

Auto insurance was another issue the member mentioned. Again, I don't remember speaking about auto insurance, but I can assure you it's a mess that's been with us for some time in this province. This is another issue our government is taking firm hold of to correct, and we will do that in the very near future.

**The Deputy Speaker:** It now being 6 o'clock, this House stands adjourned until 10 o'clock tomorrow morning.

*The House adjourned at 1804.*

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Première session, 36<sup>e</sup> législature

# Official Report of Debates (Hansard)

# Journal des débats (Hansard)

Thursday 16 May 1996

Jeudi 16 mai 1996



Speaker  
Honourable Allan K. McLean

Président  
L'honorable Allan K. McLean

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# LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday 16 May 1996

# ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

Jeudi 16 mai 1996

*The House met at 1002.  
Prayers.*

## PRIVATE MEMBERS' PUBLIC BUSINESS

### RENT REGULATION

### RÉGLEMENTATION DES LOYERS

Mr Curling moved private member's notice of motion number 19:

That in the opinion of this House, since the Minister of Municipal Affairs and Housing has caused considerable confusion by publicly telling landlords and builders that he will introduce legislation that will end rent control, but on the other hand, tells tenants they will be protected without any explanation; and

Since this government has cancelled over 390 non-profit housing projects that would have provided needed and decent shelter to lower-income Ontarians, but has made known no plan to make up for this shortfall in affordable accommodation; and

Since the minister intends to drastically change six pieces of housing legislation, including rent control, that will wipe out tenant protection in Ontario; and

Since rent control legislation was first introduced in 1975 and improved on by subsequent governments over the past 20 years; and

Since this government continues to attack the most vulnerable in our society;

Therefore, the government of Ontario should stop its plans to gut rent control, and work with tenants to ensure that tenant protection and rent control be maintained in the province of Ontario.

**The Deputy Speaker (Mr Bert Johnson):** Does the member have a statement?

**Mr Alvin Curling (Scarborough North):** I do, Mr Speaker. Thank you very much. As I said, this resolution is an attempt to ease the widespread fear and confusion that has been created by the Minister of Housing's doubletalk on rent control, doubletalk, quite frankly, that we have grown accustomed to hearing from the other side of the house.

Renters are concerned about whether they are going to be able to afford decent housing under this Tory government. On one hand the Tories condemn rent controls. They say they will tamper with rent control legislation, wiping out tenant protections that have taken 20 years to build up. Recently we hear Al Leach soften his tone. Now when he talks to tenants, he tries to dodge the issue by talking about maintaining some sort of rent cap, and I don't know what that is.

It's not difficult to figure out what this Tory government is up to. The truth of the matter is that the Tories have a plan. They are going to gut rent control as we know it. It is no coincidence that their tone has changed slightly and that they have gone a bit silent on this issue, but alas, come May 23, they will unleash their vicious attack and destroy the tenant legislation in place. Yes, Mr Speaker. They don't want to hurt their chance in the York South election, so they're very careful at this time. It is just that they won't tell us how they are going to do this until after May 23, lest, of course, those chances in the by-election are destroyed.

The Tories call their plan marketplace rent control; I call it a real contradiction in terms. The marketplace will control rents, all right, as we know it. There is such high demand and low supply for affordable housing in this province that the marketplace will control rents so that they will go, as you know, right through the roof.

Tories say there will be a lot of construction, a boom that will be going on, once they get rid of rent controls. Few believe these claims. Experience has told us that developers will not rush out to build apartments, and if they do build, they are more likely to build for the high end of the market.

Now that the Tories have cancelled over 390 non-profit housing projects, renters have even fewer options available to them today. Adding insult to injury, the Tories tell tenants not to worry, because they're going to bring in a tenant protection package. This puts the onus on the tenant to fight unfair rent increases. Renters are in an extremely vulnerable position in today's housing market. Getting rid of rent controls cuts down what few protections they have so far left.

Let me tell you about some of the things that tenants fear.

They're afraid the government will take rent controls off an apartment once the unit becomes vacant. That makes tenants virtual prisoners of their apartments. They can't move, because any new rent put in place would be much higher than their previous ones.

They're afraid the government will make it easier for landlords to turn apartment buildings into condos, and we have seen this before.

They're afraid when they hear the minister say that the Tories are going to make it easier to evict tenants.

We've heard that the Tory plans include allowing landlords to profit from repairs.

The Minister of Housing may say that these are just rumours. You and I know, Mr Speaker, from our short experience of the Mike Harris government, that rumours turn into policy in a very short space of time.



Tenants are speaking out. They're telling the Tory government that controls keep rents fair and ensure tenant rights. We are joined by tenants in the public gallery this morning and by members of the Coalition to Save Tenants' Rights. I see Kay Gardner, who is an advocate, and Mike Walker is there too, who have done a tremendous job in fighting for tenants' rights, and members of Toronto council as well are there. They represent tenants from across Metro and across the province. Also with us, as I said, are these councillors who have done an exceptional job in promoting the campaign to save rent controls.

1010

This week the Coalition to Save Tenants' Rights kicked off its campaign to raise awareness of the government's plan and they are mobilizing tenants across the province. All they ask is that tenants receive fair, equitable treatment and that the current laws that protect tenants be supported.

I support their position wholeheartedly. They stand for some very basic principles, and some of those principles include things like this:

Rent increases must be set by a government guideline and above-guideline rent increases must have a cap. Quite reasonable. Rent must be linked to maintenance. Tenants must have the right to stay in their own home without fear of being evicted unfairly or just because their lease has run out. Tenants must have the right to privacy. There must be controls to prevent converting rental housing to condominiums and other uses. All tenants must be covered under tenants' rights legislation — all, not just some or partial. There must be an impartial and fair process for deciding rent increases, eviction and other landlord-tenant issues.

These principles are fundamental. While the Tory cabinet tries to figure out the right spin on the total demolition of rent controls, I suggest their time would be better spent listening to tenants and their concerns.

We have heard from thousands and thousands of Ontarians who support rent controls. I have had response cards in my office, thousands from direct-mail brochures, from renters who are worried about whether they'll be able to afford their rents once controls are eliminated.

I personally have spoken to a number of concerned citizens, many of them seniors, students and those on fixed incomes. Rent controls keep a roof over their heads. Mike Harris is already hurting them through drug plan user fees, tuition hikes and other user fees. Add to that soaring rent hikes, and frankly these people won't know where to turn. Evictions are way up already, and you have seen that in the papers. Does Mike Harris really want to add to their misery?

We support rent control. We don't support handing over all the power to a few individuals. I support rent control, and I support it wholeheartedly. Rent control is the only fair way of ensuring that the rights of the tenants of this province are protected. That is why my resolution calls on the government to end its plans to gut rent control. I urge all members in this House to vote to put partisan views behind them and think about those tenants. When you speak about tenants, it's their home in which they live with their children and try to make life better

for themselves, not to feel vulnerable to legislation that will take away those kinds of protections.

We know that builders and developers are business people who want to make a profit. I lift my hat to them and I encourage them to do that. But when I speak to them, they say to me they will not build those units on which they can't make a profit. That is why government must play a role.

I was completely destroyed when I heard that government had no business in housing. We must, as a government, play a role in housing, especially for the most vulnerable. That's why I take my hat off to the mayor of Toronto in dealing with those people who are homeless. She knows it's a deeper problem than just those people lying out in front of city hall. We know that is a problem we must deal with and government must face wholeheartedly in encouraging them.

We must have legislation to protect these people so that they're not evicted from their homes. We want to make sure this happens. We want to make sure we're not partisan in our view but regard the people who are living in these units to be protected and to pay a reasonable rate for their accommodation. Government has got to play that kind of role.

**Mr Gilles Bisson (Cochrane South):** It is with pleasure today that I stand in the House and support, as the housing critic for the NDP caucus, the resolution brought forward by Mr Curling.

I would also like to point out to members of this House and other people who may be watching this debate that this is one of the few times I have seen a debate during private members' hour where a number of people from other city councils are here to give support to what's happening today. We have five different councillors from the city of Toronto who are here for this debate, and I would like to thank them and other people who are here to support this motion.

I think it speaks volumes to where people are at when it comes to this issue. People see what the government is doing and they're really, really afraid of what's going to happen. They're seeing that the government is intent on dismantling rent control in this province. Why? Because quite frankly this government doesn't believe in the role of government as it affects people's lives. People are worried and people are starting to mobilize and people are doing what they can to try to tell this government: "Stop this attack on tenants. Back off this change of rent control that you want to make." If you do, what it means is literally tens of thousands of tenants in this province will be negatively affected by this move.

I want to come back to the point of why this government is doing this. The government is doing this for a very simple reason: It doesn't believe in government. This government says it wants to remove itself from absolutely everything that has to do with regulation in Ontario in how business is regulated. If that business happens to be an apartment building owned by a landlord or it happens to be a mine in Timmins operated by a mining operator or it happens to be whatever —

**Mr Mike Colle (Oakwood):** Or a bus.

**Mr Bisson:** — or a bus, this government says it wants to remove itself from all kinds of regulation and it wants



to make the marketplace dictate what the rules shall be and what the price shall be for the commodity or the service that is being sold or is being bought on the part of somebody.

I say to the government, you're dead wrong. You forget there is not only a history in this country but a history worldwide across all democracies of the world that says you have to have a certain amount of regulation and government has a positive role to play when it comes to regulating certain aspects of our lives. Which aspect of our lives is not as important as the question of housing?

It is a basic, fundamental need of all people who live in this province and in this country that they have to have a roof over their heads, and if the dismantling of rent control means that those people will be made vulnerable, you really have to ask yourself the question why this government is doing this. I say again, they do it because they don't believe in government. They don't believe the government has a positive role to play when it comes to the question of regulating rents in the province of Ontario.

We have a history from 1975 up to now where tenants, people at the city of Toronto council, people at various councils across the province of Ontario, and my own political party, the NDP, have fought a long battle with successive governments to build up a system of rent control as we know it. We finally have in this province the most progressive piece of legislation when it comes to protecting tenants and landlords. That legislation was passed by none other than my own government, the NDP government, between the years 1990 to 1995.

This government is saying it doesn't only want to undo what we have done as an NDP government, it wants to undo rent control legislation even back to what was initially introduced under the Bill Davis government and go to a system of tenant protection.

**Mr Len Wood (Cochrane North):** Punish the poor.

**Mr Bisson:** Punish the poor is the exactly the point. Who's going to get hurt? It's going to be those people most vulnerable in our society who will get hurt.

I just want to speak to a couple more points because I've only got about three or four minutes in this debate. The government is saying one of the reasons it is doing this is because it's going to create the situation where the market will be better able to invest in the construction of new apartment buildings. They argue that the reason apartments aren't being built in Ontario is the high level of regulation when it comes to rent control. I say to Conservative members, hogwash. If you look at the stats and you look at the reality and you compare apples to apples and oranges to oranges across this country, where you look at jurisdictions that have no rent control or very weak rent control and compare them to Ontario, the level of construction is the same.

Why are there not a lot of apartments being built? It's very simply this: It's unaffordable. The cost of land, the cost of material, the cost of labour, the cost of taxes at the municipal level, the user fees that are introduced on the part of municipalities because of this government's actions under Bill 26 and the last budget make it difficult for people to invest in rent. So what do they do? They invest in condominiums. It's not the question of rent

control that is preventing the construction of new apartment buildings, it is the cost of building.

I say, as the housing critic for the NDP, if the government is serious about trying to deal with the question of how you encourage the construction of new apartment buildings, I want to play a positive role in that, and so does the rest of my caucus. We're prepared as the NDP to sit down with this government or whoever it takes to say, "Let's look at the question of cost of construction of new apartment buildings; let's look at the taxation level and how it applies to apartments across this province; let's take a look at the questions of licensing and user fees in regard to the cost of construction; let's look at land costs; let's look at what can be done." But don't come into this House and introduce legislation, as you will eventually, that says the panacea of stopping construction is rent control, because in that you're false.

**1020**

The other thing I want to say is that the government is quite clever. One thing you've got to give this government is that it's politically very clever. They're going to come into this House and they're going to introduce a piece of legislation. They will say, "We are putting in place tenant protection legislation as it exists in British Columbia and as devised by the NDP government in British Columbia." They're going to try to compare that to our present system of rent control.

I want to put this on the record very clearly: In British Columbia, where the NDP put in place the system of tenant protection they have there, it went from no regulation to the first step. In Ontario we are not there. We have evolved a system of rent control over a period of 20 years, and trying to go back to do what they've got in BC would be taking Ontario's standards and pushing them back quite a ways. In BC it was a step forward. Why? Because they didn't have anything. The BC government over there introduced tenant protection as the first step to try to deal with rent control, on a road to try to copy what has happened here in Ontario over 20 years. But this government and this minister of the Conservative government will try to make people believe that somehow that system will work in Ontario. You are kidding if you think that'll work in Ontario.

What will end up happening under tenant protection if you are a tenant and I am the landlord? The tenant comes to me and says: "It's the end of my lease and I need to renew. What is it, Mr and Mrs Landlord?" The landlord says: "You know, there are lots of people looking for this apartment. I think I can get another 10% on my rent." The tenant says: "Oh, I can't afford that, Mr Landlord. Let's see if we can work something out together." At the end of the process the tenant can't pay any extra, for whatever reason; the landlord says, "Too bad, so sad," the rent goes up 10%, and there's absolutely nothing you can do about it.

Yes, you can go through tenant protection legislation to some sort of arbitration board or hearings officer to plead your case, but the point will be that the landlord will have the hammer. The landlord will say: "Here is the cost of my apartment building. Look at the vacancy rate in my community. I can really rent this out to a whole bunch of people and I don't think it's unreasonable to



push rents up by 10%." There will be absolutely nothing tenants will be able to do when it comes to that.

You're wrong in your direction. You're wrong for what you're doing. You should keep in place the present rent control system we have. It works. It has been in place for a number of years. It has served both tenants and landlords well in the province of Ontario. Your dismantling it only means to say we clearly know what side you're on. You're on the side of big business, you're on the side of those people who stand to make money by gouging tenants — and I say it again — gouging tenants for every penny they can.

On the last point, just before I wind down, I want to thank again my colleague the housing critic for the Liberal Party for having brought this resolution forward. I agree with him that we shouldn't allow partisan politics to get involved in this, but I wish you would have supported our legislation on rent control while we were in government and I wish you would have supported my resolution last fall that asked to do the same thing. But let bygones be bygones, Alvin. I am on side with you. We will vote with you because we believe that in the end what we need to do is come together and fight this government on the front of rent control.

*Interruption.*

**The Deputy Speaker:** I'd like to remind those guests in the gallery that clapping is a form of demonstration and we will not tolerate it.

I would like to bring to the attention of the members Ian Scott, a former member for St George-St David, in the west gallery.

Further debate?

**Mr Derwyn Shea (High Park-Swansea):** I rise now to respond to the comments made by the Liberals and the New Democratic Party. I am a little bemused. They have raised the word "may" to a whole new art level in politics. The government "may" do this; the government "may" do that. The fact is that no one has seen any legislation that would change the existing legislation right now. No one has seen it and yet there has been a policy of terrorizing tenants that this "may" happen, that "may" happen, a whole spectrum of opportunities that has not been brought forward, has not been put out for any discussion, indeed is not before this House for consideration right now. It's most unfortunate that tenants have been exercised the way they have so unfairly.

I want to remind the members, when they begin their lecture to the government, that it was a Progressive Conservative government that put rent controls in place in the first place. It was a Progressive Conservative government that recognized the needs of tenants in this municipality and in this province. I would like to see some understanding that this government truly understands the needs of its tenant population in this province.

I'm particularly shocked that my good friend the member for Scarborough North would bring forward this kind of motion, because it essentially says: "Let's do nothing. Everything that's in place right now is just fine. Let's do nothing with it." Let me suggest that's not quite what's happening in the real world. Take a look at rents, how they've been going up over the last 10 years. Let me, for example, ask you to consider what was happening

to the tenants of Auburndale Court in Rexdale. In November 1990 they had to endure rent increases of 34%, at a time when inflation was in single digits. I believe the Liberal government was in power at that time. The residents of 221 Balliol in Toronto had to endure increases totalling over 52% between 1987 and 1990. Is that working? I don't think so.

Rents that keep escalating quickly — that's not working. The fact is that at the same time the rents have been going up, the housing stock has been deteriorating, maintenance has not been properly attended to. Every tenant in this province knows how serious the building conditions are across the province. The fact is that we are now almost causing tenants to be held hostage in their own buildings. There is no choice. Housing stock is not being created. There is no place for tenants to go that they can move to as an alternative to where they're living now. That has got to be addressed. The current system doesn't address it.

Legislation is so confusing now, no one knows what it all means and how it applies to tenants, particularly for their protection; six pieces of legislation, I remind this House, that are so confused, that are so convoluted, it takes a host of lawyers to weave their way through it to try to find any resolution to landlord-tenant conflict. The fact is that has got to change. It costs us \$28 million a year just to administer, \$28 million that could better be applied to shelter allowances to help people genuinely in need in terms of seniors, in terms of the handicapped, who have difficulty meeting their payments right now in the housing units. That's the sort of thing we should be addressing.

I want to suggest that if that's what the member for Scarborough North thinks is working, that is not what the government thinks is working. It certainly is not working right now. That entire system is out of control and is not working to the advantage of the tenants. Let me suggest that there are a number of things we have to begin to address.

We have to be very certain that we address the entire issue of tenure for tenants. They have to be absolutely certain they have tenure in their buildings; that has got to be addressed. There must be no dramatic rent increases. No one can live with the threat that today their rent may be at one level and tomorrow it may be at a level that is perhaps 30% higher. You simply cannot live in that kind of circumstance.

There must be a quick, meaningful and effective appeal process. Right now, the legislation is so convoluted that no one knows how to weave their way through the appeal process to deal with landlords, or for landlords to deal with tenants. It has become too expensive, too ununderstandable. In many cases, people throw up their hands and they walk away, landlords and tenants alike, and that has to be addressed.

The building standards have got to be enforced far more effectively across our municipalities, and the building maintenance and safety have got to be improved across this province. The fact is that right now we have to address the issue of maintenance. It will not be long before we begin to see some horror stories of properties that are deteriorating physically, and that has got to be



addressed. Tenants have a right to be protected from deteriorating circumstances.

The improvement of choice as well for the housing stock has got to be addressed. Tenants can't be held to ransom in their apartments now. They have to have an ability to be mobile across the province or across this municipality. They have to have an ability to choose from various rental stocks. Right now, that choice is simply not there for them.

The fact is that the legislation itself has got to be changed and the six pieces of legislation probably have to be reduced, have to be consolidated, put into very simple, clean language so everybody understands what it means and we can save those costs. I can tell you that while consideration is being given by the government how to improve the legislation, the first cardinal rule of this government is tenant protection. That is the first cardinal rule of this government.

1030

The fact is that there also have to be greater housing choices through increased supply so renters don't have to feel as though they're being held ransom and hostage, strong protection from unfair rent increases with a streamlined administrative procedure that doesn't cost the tenant a fortune to access, an understandable and an effective process, improved apartment maintenance, safety and security has got to be addressed and, finally, government support through shelter allowances to those truly in need.

Those are the cardinal rules that are of concern to this government and in fact this government, as the previous Progressive Conservative governments did, will recognize the importance and the urgencies and the sensitivities that affect tenants in this province, and you can be certain that this government will respond effectively for tenant protection.

**Mrs Lyn McLeod (Leader of the Opposition):** I rise in full support of the resolution put forward by my colleague Mr Curling. I'm glad the member for High Park-Swansea recalled that it was in fact a Conservative government that first introduced rent controls, I believe back in 1973. He fails to mention, however, the reasons why a Conservative government believed that rent controls were necessary, because there was a low vacancy rate, because the rental stock was being depleted and was deteriorating at a rapid rate, and their only answer was to bring in rent controls. They thought it might be temporary, I acknowledge that. It wasn't temporary because the rent controls were needed then and are still needed now.

The Conservatives now want to say rent control isn't working. The fact is the marketplace wasn't working and that's why rent controls were introduced and that's why rent controls are still needed.

Yet it was just two weeks ago in Stoney Creek that the Premier, Mike Harris, still said, "The market works better than any government plan." That might be the Premier's theory and it might be the wishful thinking of those who want to let the market simply rein free, but it is not reality. The marketplace was not working to provide affordable housing for tenants and it was particularly not working in the Metro Toronto area. It still will not work.

So where would the affordable rental stock come from when in Metro Toronto there is so little land to build on? Where would the incentive be for the private sector in this large urban area to provide affordable rental housing when there is still clearly a market demand for high-priced, high-end housing and where clearly the profits to be made by developers are in the building of high-end, high-priced housing?

The idea that removing rent controls will lead to new building and higher vacancy rates and lower rents is not only untested, it is very, very long term. And what happens to rents in existing buildings in the meantime while this theory is put to the test? Without any question at all, rents will skyrocket to levels that people simply cannot afford and that is what is unacceptable.

There is absolutely no question in my mind about what this Conservative government plans to do. They are planning to abandon rent control, and don't let there be any doubt about that. If there's any doubt about that, I just refer you to quotations from the Minister of Housing who has said, "Marketplace rent control will take the sledgehammer out of the hands of tenants." That does not sound like a tenant protection policy to me.

In answer to the questions that I was asking in the Legislature earlier this week, the Minister of Housing got quite exercised and said, "I think the Liberal Party and the NDP are the only people in the world who are in favour of rent control." Yes, we are in favour of rent control, and it is clear that this Conservative government is not.

But they're not ready to acknowledge publicly that they're going to abandon rent control so they're talking about alternatives, like simply taking the back-door approach where tenants will lose their rent protection if they move, and will therefore be forced to stay as prisoners in their rental accommodations in their apartments while landlords look for every possible means to evict them, including letting the quality of that housing deteriorate.

The member for High Park-Swansea says: "This is all just rumour. It's just a 'may.'" With this government it is clear that today's rumour is tomorrow's reality and that nothing has been decided until the decisions have been made and it's too late for the people who are affected to have any say about it at all.

Now the member for High Park-Swansea says, "Well, we do have another alternative, and the alternative is shelter allowances." Let's put this one to rest once and for all. If this government thinks shelter allowances are a way of providing affordable housing, they've got to know that providing shelter allowances at a level that would be required to ensure that people could afford decent housing would bankrupt the government. There is no way they're looking at shelter allowances as anything but a copout as they abandon a rent control program.

That is why we are solidly in support of the resolution put forward by Mr Curling. We stated clearly and in writing during the election campaign that we supported rent controls, that we would not abandon rent controls, that we believe they are an important part of an affordable housing policy. I only wish this government had any affordable housing policy. In its absence, we can only



plead with them to retain rent controls as they look towards some means of ensuring that housing is affordable to people in this province.

**Ms Marilyn Churley (Riverdale):** I would like to start by acknowledging the presence of some of my previous colleagues and some newer colleagues at city hall. We have with us today Kyle Rae, Kay Gardner, Michael Walker, Howard Joy and Pam McConnell; not in any particular order of favouritism here — that's the way they're seated. I'm very happy to see all those members from city council here today because they have shown leadership in our community on rent control and tenant issues for many years. I know that Kay Gardner and Michael Walker, when I sat with them on city council, were leaders in the tenant movement and I, as a new city councillor, learned a lot from them.

When I was elected in 1988 to the Toronto city council for ward 8, I had some tenants — not as many as some of my colleagues had — but I know at that time the tenants in the riding of Riverdale, ward 8, were getting double-digit increases, some up to 30%, up to 50%, and if something was not done, they were going to have to leave the premises.

I learned how to organize from some of the members here today. Now I'm working with Peter Tabuns and Jack Layton, who are city and Metro councillors in my area, organizing again with tenants who, after the new legislation that our government brought in, I think got a little relaxed. I know some of the members here today were hoping that our new legislation under the NDP government would go even further. I know there was some disappointment at the time, because of the recession, that there would be less than the 3% rent increases allowed at that time. I still think we had some work to do, but the legislation our government brought in was the toughest ever, and it was part of an evolution in Ontario over the years that was brought about by people like the councillors who are here today and tenant activists. They have worked long and hard for 20 years or more to get proper protection for tenants in the province of Ontario.

What we see today when we hear somebody like the member for High Park-Swansea talking about, "Oh, yes, we believe in rent control; we will keep rent control; we'll make sure tenants are supported," I say to him, I don't know how many tenants he has in his riding, but I can say to the members here, if they care about some of their Metro-area MPPs getting re-elected, they might look at what they're going to do with rent control very carefully.

In particular, I would say that to the member for Eglinton, who defeated Dianne Poole, a Liberal member here who was a very strong tenant activist. I heard Mr Saunderson on TV talking about, "Oh, we're going to make it better for tenants." That's what he said during debates. He won that election, and the people in his riding — there's a very high tenant population — are expecting better protection for them, because that is what he said. What we think this government is going to be doing is the exact opposite.

When I hear the Tory members say that one of the biggest problems we have with rent control is that it's a disincentive for people to build new buildings, I am

shocked. That is ideology; that's not based on fact. I suggest to this government that it look at the evidence and the statistics that already exist. In other jurisdictions where there is no rent control or very little rent control, they have the very same problems with building new housing stock in those jurisdictions. That is not the answer.

**1040**

Certainly pulling out of providing and being in partnership with community groups and others to provide other kinds of affordable social housing is a disgrace. When you have this silly, unproven theory that getting out of rent control is actually going to increase the housing stock, it is not only shocking, it is downright frightening.

Tenants are afraid in this province for a very good reason. They are afraid because we've been going through a recession for a number of years. There are many people living in apartment buildings in my area who can only afford a zero per cent increase. They are terrified about what this Tory government is going to do. They really are.

I would ask the members of this government to sit down and look at the statistics, look at the existing evidence and change the direction of their thinking, because if they don't, we are going to have a housing crisis in this province, and I'm particularly concerned about the Metro Toronto area where there aren't a lot of choices. We're going to have a housing crisis that this province has never seen before and it is going to be on their heads.

I urge the government today to support this resolution. I'm supporting it a bit reluctantly because I'd like it to be stronger than it is. I know that the wording of the housing critic from my caucus, his private member's bill very clearly supported the House endorsing the present rent control system which our government brought in.

I realize that the Liberals wanted to and said in the election that they'd like to take a look at that and I believe that's the thrust of the resolution, that you're strongly in support of rent control but would like to see other ways of going about it. But I'm glad that the resolution is here and that it's a very clear statement that the Liberal Party also supports rent control.

I urge all members to support this resolution.

**Mr Ron Johnson (Brantford):** I rise to offer a few of my comments with respect to the motion from the member for Scarborough North, which surprisingly enough calls on this government to rescind its promise to restore fairness and balance to Ontario's rental housing market. The member from Scarborough should know by now of course that when this government makes a promise, it certainly intends to keep it.

First of all, the member's resolution is based on inaccurate assumptions and statements, namely, that we plan to gut rent control and, second, that we are not working with tenants to ensure their rights will be protected.

We recognize that tenants need protection from unfair rent increases. We recognize the difficulties many would face if they were not protected in some form, especially at a time when many people are facing incomes which have been frozen or sometimes reduced. For every landlord group that the minister has met with so far, he



has had similar meetings with representatives of tenants' groups, so I would suggest that when Mr Curling implies that we are not consulting with tenants, he is simply wrong.

At the root of the problem is a very simple economic equation of supply and demand. Rent control, which costs Ontario taxpayers today approximately \$18 million a year just to administer, simply doesn't work well. It was introduced in 1975 with good intentions and, contrary to what the member for Scarborough North says, it has not been improved. In fact lately, through actions of previous governments, it has only been made worse and simply doesn't adequately serve the needs of either tenants or landlords.

Combined with the problems of how rental units are assessed and taxed by municipalities, rent control has led to a drying up of the rental housing market. Nobody simply wants to build any rental housing units any more because there are better areas to invest in.

At present, the vacancy rate in Toronto is 0.8% and falling. I think even the Toronto Star, that great bastion of Tory support and the great defender of conservatism, predicted back in February that the apartment vacancy rate in the GTA was forecast to drop to 0.5% this year.

So what does all this mean? It means that without substantial and swift changes we are facing a rental housing crisis in which the landlords hold all the cards and the tenants have few options. It comes back to that simple supply and demand equation: As supply goes down, demand and price go up. Last year only 25 private sector rental units were built in Toronto. Forecasts for the future of the rental market in the current situation are just as bleak.

For tenants, no change means no choice. Their buildings get more and more run down while at the same time, with no new apartment buildings being built, they have fewer choices about where they live and are forced to pay what landlords demand.

The challenge we face as a government is how to fix the broken rent control system. I should point out that even Mr Curling does not dispute that there are problems with rent control. In an appearance before the estimates committee on February 8, in criticizing our policy — which I don't understand, because he hasn't seen it yet; no details have been released — Mr Curling admitted his own failure as Minister of Housing during the Peterson government to correct a system in bad need of repair.

He referred to the Minister of Municipal Affairs and Housing as "the second-largest landlord in North America," and said at that meeting: "As a landlord, you have failed. As a landlord, when I was there, I failed. As a landlord, as the Minister of Housing, as we go through, we fail. We have not brought decent and affordable housing to the people of this province and we must fix that. So I commend you to looking with respect to fixing the rental housing aspect in our province." It's amazing how times change.

The challenge that we face is to fix the current broken system by replacing it with a new system that protects the rights of tenants while at the same time encouraging developers to start building again in the rental housing market.

The solution lies in striking a balance between the interests of tenants, landlords and developers, and that is exactly what we are doing. We are looking at a number of options for new legislation that will protect tenants specifically from unfair rent increases and arbitrary evictions. We're looking as well at improving building maintenance and getting tough on landlords who don't take care of their buildings; producing a climate where people will invest in rental real estate again; and options which will streamline administration and cut red tape, be cheaper, faster and more fair.

If the member for Scarborough North is confused by those objectives, then I apologize. We simply can't be any clearer. How those objectives are going to be met will be announced by the minister at a later date. To suggest at this time that we are failing in our objective to fix rent control is premature and speculative at best, since the honourable member obviously has not had the opportunity to review any legislation, much less comment on it.

The best protection for tenants is to ensure a healthy supply of rental housing. When tenants have more of a choice of where to live, that forces landlords to be competitive with their rents.

I would like to quote an editorial from the Globe and Mail of February 6, 1996: "Rent control has been a dismal failure. It should be ended."

On the question of unfair taxation, in the same editorial they ask: "How will potential investors react when they realize that the GST on home builders is 4%, on non-profit builders is 3.5%, but on apartment builders the full 7%? Metro Toronto's tax assessments even more markedly, and illogically, favour single-family housing over apartment buildings. Apartment buildings are assessed as businesses, and pay property tax at a ratio four to five times that of homeowners. These extra tax burdens must of course be passed on to tenants — and must be considered by anyone planning to build rental housing."

In his motion Mr Curling also referred to the cancellation of some 385 non-profit housing projects last July. But what he didn't mention is that his own Liberal red book promised as well to place a moratorium on non-profit allocations and review the effectiveness and management of the program. Again, how things can change in a few short months.

As we promised, we are looking into the possibility of introducing a shelter allowance subsidy program for those most in need rather than continue to spend \$1 billion a year in the bricks-and-mortar industry.

As far as landlord-tenant disputes go, we are looking at putting in place an administrative tribunal that would adjudicate landlord-and-tenant issues outside of the courts.

The measures I have talked about represent the first meaningful attempts — despite what Mr Curling claims today and in his own past has admitted his own failure to take on these issues — in many years to build up the rental housing industry into something once again which will benefit both tenants and of course those who provide rental housing units. It's time that the government got out of the bricks-and-mortar industry and let the market take care of itself.



1050

**Mr Colle:** I think this government has been very categorical about one thing: They don't believe in regulation — they say that over and over again — they don't believe in controls; they don't believe that government has a place in the housing business. They've said that. Therefore you're really saying that you're going to get out of protecting tenants and you're going to dismantle a system that isn't perfect but helps to protect tenants.

This government has a habit, any time tenants' organizations meet and deal with this concern over rental protection or when the city of Toronto called the meeting about protecting tenants — they call that fearmongering. That's what they always say. You wonder why tenants across this province are afraid when in their own Common Sense Bible they say, "We will also direct the Ontario Realty Corp to develop a plan to sell the more than 84,000 units owned by the Ontario Housing Corp." This is why people are afraid; this government is basically dedicated to dismantling tenant protection and getting out of the business of providing public housing.

The city of Toronto has shown leadership on it. They have spent \$250,000 on protecting tenants because they know what this government is planning. That's why that night, when the city of Toronto held its meeting, over 1,500 concerned taxpayers from all parties were saying they are afraid of what this government is going to do to them. Oddly enough, that day there wasn't one Tory MPP at that meeting to speak on behalf of tenants.

It's interesting to note that when they first got elected, the Minister of Housing and the Premier boasted that they were going to gut rent control. Every time they spoke to landlords and builders they said: "Watch us. We are going to get rid of rent control. It doesn't work." Now that they are approaching the by-election in York South, they're backpedalling and softpedalling that issue.

It's interesting to note also that when the city of Toronto resolution went to the city of York supporting rent control, the candidate in York South, Rob Davis, voted against the resolution. That is a very interesting bit of news for the people of York South.

All over Metro, people should be saying to this government, "Mike Harris, keep your hands off our homes." The people in York South next Thursday will be saying the same thing: "Mike Harris, keep your hands off our homes, especially when we're unemployed or our incomes have been cut with your cuts. Don't just feed big business and landlords. Protect seniors and those on fixed incomes who live in apartment homes."

**Mr Bernard Grandmaitre (Ottawa East):** I will be supporting Mr Curling's resolution for a number of reasons. I want to tell you what's happening in my own riding of Ottawa East. With not only your permission, Mr Speaker, I will address it in French because only last week I had a meeting with a number of groups of people, who are very concerned about rent controls and the abolishment of rent controls in my riding.

Le gouvernement conservateur de l'Ontario met une peur dans la Révolution du bon sens en annonçant qu'on allait raser 86 000 unités de logements présentement subventionnés et abolir le contrôle des loyers. Dans mon

comté, 65 % de mes commettants sont des locataires. Alors, imaginez la peur qu'ont ces gens — des personnes âgées, des personnes qui vivent avec une petite pension — de se faire mettre sur le trottoir, de se faire déplacer du jour au lendemain. J'ai rencontré ces gens pour tenter d'assurer que le gouvernement de l'Ontario ait un plan pour remplacer le contrôle des loyers. Par contre, on attend avec impatience le plan du ministre des Affaires municipales et responsable du logement en Ontario.

Ce matin, lorsque j'entends mon collègue de High Park-Swansea et le député de Brantford, là on commence à voir une lueur. On commence à connaître les intentions du gouvernement. On veut simplement abolir, mettre de côté ce plan qui n'est pas parfait. Le contrôle des loyers n'est pas parfait. Je crois que M. Curling l'a admis. Tout le monde l'admet, mais il faut trouver une autre façon d'améliorer le système. Mettre de côté complètement le contrôle des loyers n'est pas la solution.

Je connais les intentions de mon collègue de Scarborough-Nord, qui a travaillé d'arrache-pied, surtout lorsqu'il était le ministre, pour améliorer la situation. Aujourd'hui le gouvernement tente de dire à M. Curling, «Vous avez raté votre chance lorsque vous étiez ministre responsable du logement et maintenant c'est à notre tour de changer, d'améliorer le système.»

J'encourage le gouvernement de nous présenter ce plan le plus tôt possible et d'éliminer les rumeurs, parce que ce qu'ils sèment présentement fait peur, avec raison, à tout le monde en Ontario, surtout aux personnes âgées, surtout aux familles qui ont un revenu faible.

J'encourage le gouvernement à cesser les rumeurs et à présenter un plan qui sera acceptable pour ceux qui veulent que la régie des loyers continue, pour ceux qui veulent contrôler les loyers en Ontario.

**Mr John Gerretsen (Kingston and The Islands):** I would like first of all to deal with something the member across the way said when he talked about the fact that there's no rental stock being built right now in the province of Ontario. He suggests that somehow, if the rents remained the same, they wouldn't go up as a result of there not being any housing built in the province of Ontario. Of course, he's dead wrong. The reason that developers want rent controls off is so they can build more units and charge whatever they want for those units.

I would like to appeal to members of this House to look at it each within their own riding. We all represent either a large number of tenants or a small number of tenants. Anywhere from I suppose 10% in the more rural ridings to over 60% or 70% of the people who live in our ridings are tenants.

Those people right now live with a tremendous amount of uncertainty. We've already heard about the uncertainty of people living in public housing. As a result of comments the minister has made over and over again that the government should get out of the housing business, we have received petition after petition and urgent call after urgent call from seniors and from families across this province saying: "What's going to happen? Am I going to lose my unit?" Exactly the same thing is happening across the province with tenants who live in private accommodation.



I would like each one of us to examine our own situation and clearly understand that we represent these people as well. We don't just represent the developers, we don't just represent the private homeowners; we represent tenants in our own ridings. I would urge the Conservative members to remember that.

If there is a way you can improve the system, then do something about the fact that it takes many rent control officers in this province up to a year to make decisions on some matters that are put before them, and that is totally unacceptable both from a tenant and from a landlord viewpoint. To that extent, I totally agree that we have to do something about the system.

We cannot simply take the kind of situation the Minister of Housing suggests when he states, as my leader stated earlier, that market-controlled rent will take the sledgehammer out of the hands of tenants. That kind of statement can only have one interpretation, and that interpretation is that, as far as this government is concerned, tenants seem to have all the power and landlords have none at all, and we all know that's absolute nonsense.

We also know that when British Columbia abolished rent controls, the availability of housing remained static. A recent study at McMaster University has also concluded that rent controls have little effect on the supply or the sale price of private sector rental housing.

Support this resolution. Let the tenants of Ontario know exactly where you stand on it so that they can have some certainty in their lives as well.

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**The Deputy Speaker:** The member for Scarborough North has two minutes.

**Mr Curling:** In my two minutes I'd just like to make some quick comments, especially to the member for High Park-Swansea and the member for Brantford. I want them to stare right in the face of their tenants when they go back to their constituencies and tell them that it is their government that has declared war on the people of Ontario. It is their government that has declared war on the most vulnerable people in our society, especially those who can't afford the kind of rates that are being paid in rental units today. It is their government that cancelled the non-profit projects that were targeted to the most vulnerable people in our society. It is their government that wants to sell off the 86,000 units that are owned by Ontario Housing.

Let me correct the record now —

*Interjection.*

**Mr Curling:** Let me correct the record while you rant in your little place there, and I hope you learn something from this. We as landlords, the government that was managing 86,000 non-profit housing units, were terrible landlords. The conditions weren't good. Those are the ones we're talking about and that's why we said that, as a landlord, we as a government have failed.

We also have moved, very much so, from 1975, when the Tory government introduced rent control, and have improved upon it. What we have in place today is good. Of course anything can be improved. But the fact is, to destroy it now and talk about putting in shelter allowances and getting rid of rent control is the wrong way to

go. Don't play political football with the tenants. It's their home.

Don't play with the shelter allowance. We know your plan. You want to reduce the shelter allowance level at the lower rate, more or less, fighting tenants to negotiate with landlords, whom you have already negotiated with in order to make their deal. The fact is, they are the ones who immediately cut off money for social welfare.

I ask them to support this resolution. Come to your senses somehow and support this resolution. It's the resolution that will put you in good stead with the people of Ontario.

**The Deputy Speaker:** The member's time has expired.

**Mr Curling:** Mr Speaker, I'm sure you agree with that too.

**The Deputy Speaker:** I'd like to bring to the members' attention Gary Malkowski, former member for York East.

#### ACCESSIBILITY FOR THE DISABLED

Mrs Boyd moved private member's notice of motion number 18:

That in the opinion of this House, since persons with disabilities in Ontario face systemic barriers in access to employment, services, goods, facilities and accommodation; and

Since all Ontarians will benefit by the removal of these barriers, thereby enabling these persons to enjoy equal opportunity and full participation in the life of the province;

Therefore, the government of Ontario should keep its promise as set out in the letter from Michael D. Harris to the Ontarians with Disabilities Act Committee, dated May 24, 1995, to:

(a) enact an Ontarians with Disabilities Act within its current term of office; and

(b) work together with members of the Ontarians with Disabilities Act Committee, among others, in the development of such legislation.

*Interruption.*

**The Deputy Speaker (Mr Bert Johnson):** I'd like to remind once again that the guests in the gallery are not allowed to demonstrate, and that includes clapping. We'll not tolerate it.

*Interjections.*

**The Deputy Speaker:** I remind the members that I would appreciate your attention.

Mrs Boyd has moved ballot item number 30, private member's notice of motion number 18. Mrs Boyd?

**Mrs Marion Boyd (London Centre):** I want to begin the debate by reading into Hansard the letter that was mentioned in the resolution. It says:

"Dear Mr Baker" — who is a member of the Ontarians with Disabilities Act Committee —

"Thank you for your most recent correspondence dated May 3, 1995, concerning the proposed Ontarians with Disabilities Act.

"As I indicated to you in my response of May 11, 1995, to the Advocacy Resource Centre for the Handicapped questionnaire, a Harris government would be willing to enact an Ontario with Disabilities Act in the



first term of office within the economic goalposts of the Common Sense Revolution.

"The accommodation issue is often the stumbling block when it comes to financing access to post-secondary institutions, transportation, government publications, training programs and communications. We hope, through cost efficiencies achieved in other areas of government, to direct much-needed funding to accommodation.

"I would be pleased to work together with your committee in the development of such legislation."

Today all members in this House have an opportunity to ensure that the government's promise becomes reality.

Why is an Ontarians with Disabilities Act essential? Persons with disabilities are a large yet severely disadvantaged group in our society, comprising at least 15% of the population. Disabled people experience massive unemployment rates far in excess of national and provincial levels. Because so many doors are closed to them, disabled people are grossly overrepresented among those receiving social assistance.

Those of us fortunate enough to be without disabilities take many things for granted: the right to go to our local school; to attend post-secondary institutions; the right to use public transportation, to travel in buses, trains and airplanes; the right to communicate with and to attend at the place of national, provincial, regional and local government; the right to seek and be considered fairly for a job; the right to access and use services, facilities and goods which are offered to the public, just to name a few. Persons with disabilities all too frequently are prevented from enjoying these rights.

The problems confronting persons with disabilities are not just the product of old barriers resulting from the uninformed decisions made years, decades ago by those who designed our institutions, facilities and services. Many of the worst barriers are very recent and they could have been avoided with foresight and commitment to accessibility.

The most obvious example is the proliferation of computer products which could easily be adapted to serve users who are blind, mobility-impaired, dyslexic and otherwise disabled. The technology gap the Minister of Education and Training has identified between users and non-users of computers is equally being created by the mainstream computer industry even as we speak by their failure to adapt hardware and software appropriately.

During these days when governments seem obsessed by budget cuts and government downsizing, persons with disabilities have been among the first and most seriously affected victims. This government has taken many steps which further disadvantage the disabled: They repealed the Employment Equity Act; they repealed the Advocacy Act; they charge user fees for drug benefit prescriptions; they cut funding to municipal parallel transit for persons with disabilities and then tried to blame the municipalities for their cut; they threatened to weaken the building code obligations to make new and renovated buildings accessible; and they cut funding to education, which puts those in special need in special disadvantaged positions.

But what, we must ask, is the cost to our society when we exclude disabled people from full participation in our community? The price is high, it is avoidable and it is

one that we will all pay sooner or later. The major costs are human costs. All around us today are many talented people who happen to have disabilities. Some have been able to overcome the numerous barriers they face through their own effort, resourcefulness, family and community support. We all honour their accomplishment, but we must not laud them as superstars or be misled into believing that by their success our society is barrier-free, because also in our midst are many others who also have enormous talent to offer but who, because of the barriers they encounter, have never had the chance to shine.

These citizens slam up against public transit systems they cannot use, buildings they cannot enter, schools whose teachers don't know how to teach them, documents they cannot read and, worst of all, the stereotypical and exclusionary attitudes of many employers, service providers and government officials which continue to prevent people with disabilities from full access to jobs and other mainstream opportunities that the majority take for granted.

Even those who are more concerned about dollars than human costs have to admit that the cost of excluding the disabled from mainstream Ontario is enormous and is growing fast. We pay that cost every time a person with a disability is denied an education or a job and is driven to rely on social assistance. We pay the cost every time we buy an inaccessible bus which drives up the demand for the more expensive and less effective parallel transit systems. We pay every time an aging person ceases to be active and self-sufficient in our community, and aging is the most common cause of disability. There will be a greater proportion of persons with disabilities in the year 2000 than ever in recent history.

1110

We must act now to dismantle existing barriers and prevent others from being raised. Existing laws to protect the rights of the disabled have not succeeded in breaking down barriers. Equality rights in the Ontario Human Rights Code since 1982 and the Canadian Charter of Rights and Freedoms since 1985 are important legal rights, but we know from long and bitter experience that they have not proved to be a total solution.

The time for action is now. Ontario must set an important and valuable lead in achieving a barrier-free society for persons with disabilities by the year 2000. The government must keep Mike Harris's promise to bring forward an Ontarians with Disabilities Act and to do so in close consultation with the coalition of people and organizations dedicated to this task. This House should know that despite his promise, as yet Mr Harris has refused to meet with the committee, and so has his Minister of Citizenship. I notice that the minister and her parliamentary assistant are not with us today, and I think that's shameful, because this is their responsibility.

We have lots of people with us today who are intimately concerned about this issue, and we must remember that those people do not have access to —

**Mr John R. Baird (Nepean):** On a point of order, Mr Speaker: The honourable member opposite is in her second term. She knows it is against the rules of this place to refer to the absence of an honourable member, and she's done it on two —



**The Acting Speaker (Mr Gilles E. Morin):** I must admit that I didn't pay attention, but if this is the case, you're not supposed to do that.

**Mrs Boyd:** My apologies, Mr Speaker.

These people who came to be with us today, many of whom could not get into the chamber, are currently watching this debate on television in rooms elsewhere in this building. There are more than 50 people who could not get access to this building. You will see that there is space for only four wheelchairs. This is not appropriate. This is the kind of thing we need to stop.

The development and passage of an Ontarians with Disabilities Act is not a right- or left-wing issue; it is an issue which should be above partisan politics. One need not be a champion of civil rights to pass such a bill. After all, George Bush, the Republican President of the United States, passed exactly such a bill there in 1990.

Even those whose ideology opposes government regulation of the economy in most areas agree that government must intervene when the marketplace fails or has itself created a serious problem, and as people with disabilities will attest, the marketplace for jobs, goods, services and facilities has not served this substantial portion of our society.

Each of us here either has a disability ourselves or has the opportunity to look forward to when we may have a disability in the future, each of us has someone near to us who has a disability and each of us has constituents who look to us to serve their needs and their best interests. Therefore, it should be easy for us as a Legislature to pass this resolution in favour of going forward with an Ontarians with Disabilities Act. This is not the act itself; this is a plea to the government to keep its promise, to work with the committee that has been organized from a coalition of individuals and groups to form the kind of legislation that will be acceptable.

The Leader of the Opposition, the Premier himself and certainly our party believe that the time is now for all of us to join together and show those with disabilities in our community that we truly honour them, we respect them, we welcome them to be part of a full life in this province. We have a rare opportunity today to make that promise come true.

*Interruption.*

**The Acting Speaker:** I would like to remind the people in the gallery that you're not supposed to clap.

**Mrs Helen Johns (Huron):** It is a pleasure for me to address this House today on the issue raised by my honourable colleague the member for London Centre. I would like to comment on this resolution presented by the honourable member. I have no problem with the intent of this member's resolution; I have a difficulty, however, with the content and the wording chosen by her and what she implies in her speech that she has just given us. She implies that this government has done nothing to reduce the systematic barriers in access for disabled people.

**Mr Dominic Agostino (Hamilton East):** Destroy the system.

**The Acting Speaker:** Order. Interjections are not allowed. She has the floor.

**Mr Floyd Laughren (Nickel Belt):** Tell her to stop being provocative.

**Mr Tony Martin (Sault Ste Marie):** Tell her to be honest.

**The Acting Speaker:** Order. You're wasting your time. The member for Huron.

**Mr Len Wood (Cochrane North):** Get her to tell the truth.

**The Acting Speaker:** Order. The member for Cochrane North, I want you to withdraw that remark.

**Mr Len Wood:** I withdraw.

**The Acting Speaker:** The member for Huron.

**Mrs Johns:** Let me just remind you what was said during the campaign. I am quoting from the ARCH TYPE May-June survey of three political parties. This is what our party said:

"A Harris government would be willing to enact an Ontarians with Disabilities Act within the first term of office within the economic goalposts of the Common Sense Revolution. The accommodation issue is often the stumbling block when it comes to access to post-secondary institutions, transportation, government publications, training programs and communications. We hope, through cost efficiencies achieved in other areas of government, to direct much-needed funding to accommodation."

The Harris government is committed to the interests and dignity of persons with disabilities and is sensitive to the challenges they face both in the workplace and in society as a whole. The challenges faced by the disabled community are being addressed by this government, and they are being addressed through a number of initiatives and will continue to be addressed through our term. These aims can and will be achieved within the economic goalposts of the Common Sense Revolution.

I would like to share with the House information on the recent initiatives taken by this government, and my colleague the member for Nepean will share with you information pertaining to initiatives coming from the Ministry of Citizenship, Culture and Recreation. As work in these areas progresses, we will continue to encourage input from all interested parties on how to effectively address the concerns of persons with disabilities.

If I may have the indulgence of my honourable colleagues, I would like to list some of the recent actions taken by the ministry I'm associated with, the Ministry of Health. These initiatives, combined with the actions taken by the Ministry of Citizenship, Culture and Recreation, contribute to and encourage the dignity and autonomy of disabled people.

In the budget we announced \$170 million this year to provide in-home care, longer-term care that we are reinvesting in to provide seniors and disabled people with care in their homes instead of in institutions. This means an additional 80,000 people in communities across the province will receive services such as in-home nursing care, housekeeping and meal programs.

I have a specific example to share with you. In Sault Ste Marie, an additional \$200,000 will be pumped into the system. With this, the community decided that they would like to have 12 more people with disabilities able to find housing. They will live independently within the community with these dollars. Dollars are being allocated from the community to disabled people.



Reforms to Ontario's long-term-care system will simplify access, preserve existing community-based organizations and reduce administration through the establishment of the community care access centres.

1120

At the present time, 70 people with disabilities are currently participating in a pilot project to test the option of receiving direct cash payments to recruit, manage and pay for their attendant care services. I have met with some of the people who are in this pilot project during the focus groups that I set up for long-term care.

We have invested \$25 million in dialysis machines. We announced \$23.5 million to enhance community-based mental health services. We've reinvested to get our people with acquired brain injury home. And we will provide \$10 million this year, and it will grow to \$20 million, to expand services for preschool children with speech and language disorders.

The government's commitment to the interests and dignity of persons with disabilities is not restricted just to the Ministry of Health. There are a number of other actions being taken across other ministries.

The Ministry of Housing remains committed to an Ontario building code that provides for full accessibility.

At the Ministry of Transportation, funding to municipalities for specialized transit services for people with disabilities will remain at the current levels for the next two years. Fully accessible conventional transit services is part of the ministry's "family of services" concept of services for people with special transportation needs. This includes specialized transit, community buses and accessible taxis, and it will be achieved in an efficient and fiscally responsible manner.

In reforming the welfare system, we have protected income support for seniors and people with disabilities. The government in its budget has announced plans to move seniors and people with disabilities off welfare and on to an Ontario guaranteed support plan that meets their needs, respects their dignity and continues to protect their benefits.

**Mr Agostino:** When? When are you going to do it?

**The Acting Speaker:** The member for Hamilton East, order, please.

**Mrs Johns:** At the Ministry of Education, incentive funding to colleges and universities is provided to assist them in meeting their legal obligations to accommodate the needs of students with disabilities, and this funding will be maintained at its current level.

It is mandatory for school boards to provide or purchase from other boards special education programs and services for students with exceptional needs.

Lastly, as part of the ministry's contribution to the equal opportunity plan, which the member for Nepean will discuss in further detail, MET will soon be releasing policy statements on workplace equal opportunity and anti-discrimination education to school boards, colleges and universities.

So indeed, this government is showing its commitment to people with disabilities. As we move forward with work in these areas, we will continue to encourage input from all interested parties on how to effectively address the concerns of people with disabilities.

**Mr Agostino:** I rise in support of the resolution of the member for London Centre. I'm somewhat surprised that the member on the government side of the House would actually talk of the accomplishments this government has made in relation to the disabled community. Maybe I can outline some of those accomplishments.

The first thing this government did was cut 5% of all agencies across this province that deal with the disabled community: the Canadian Paraplegic Association, the Canadian Deaf-Blind Association, the Ontario March of Dimes, the Canadian Hearing Society, the CNIB, and the list goes on and on.

Then they cut funding to municipalities, which impacted transit: Wheel-Trans in Toronto, DARTS in Hamilton.

Then they decided they were going to cut welfare benefits, and they promised they were going to protect seniors and disabled. My colleague across the floor just spoke of that commitment. Let me remind my colleague that as of the end of March there were still 12,438 seniors and disabled receiving a reduced welfare rate when you promised in the Common Sense Revolution you were going to move them to a protected category. You have failed to do so. It's almost been a year and you still have over 12,000 seniors and disabled who have had their benefits cut when you promised you weren't going to do that. That's the commitment this government's talking about.

We're now talking about redefining "disability." That's a great buzzword for saying, "We're going to find a way of ensuring that less people are eligible for disability benefits across Ontario, and we'll move those individuals to the welfare system as well," so they can get less benefits and the government can save more money. I can tell you that's what it will mean. When the redefinition of "disability" comes down, you will see a definition that will limit in scope, in magnitude, the number of people who receive disability benefits in Ontario, and that will be a smaller number than it is today.

In regard to this resolution, what we're talking about here today is simply an opportunity for the government to act, to do what it said during the election it was going to do. It's not a question of special rights, it's not a question of special privileges, there's a question of equal access and equal opportunity. The Ontarians with Disabilities Act would ensure that by the year 2000 we will have a truly barrier-free province in every aspect.

In my own community of Hamilton-Wentworth, a great deal of work has been done. We've had the advisory committee on the physically disabled, headed by Councillor Geraldine Copps, who is here with us today — and many of the members of the committee are here in the gallery — which over the years, for a very small amount of dollars but a great deal of work and dedication and commitment, has made tremendous strides and tremendous progress in Hamilton-Wentworth in removing many of the barriers that exist in our community. Much has been done; a great deal more has to occur.

My father spent 23 years in a wheelchair as a result of an industrial accident, so I know at first hand the barriers, I know at first hand the difficulties, I know at first hand the struggles that many individuals have to go through.



What this act is simply asking is for the government to move to ensure that the barriers that are there in education, in job training, in access to government information, in communications, in transportation, in goods and services and facilities, are removed. It is a simple question of equality. It is a simple question of acting on a commitment that was made.

The disabled community doesn't need to be patronized, doesn't need to be patted on the head and made to feel good, doesn't need wonderful words to tell them how wonderful they are. What the community needs is action. You are the government. You have the power to act, and within the mandate. My fear is that if you wait and you wait and you wait and you introduce some wonderful action in 1999, or some response to this three or four years from now, the time will run short. The goal of a truly barrier-free province by the year 2000 will not be met, because you can't do that kind of change in a year. You can't make those types of changes in six months.

I urge the government to act today on its commitment. The commitment is clear, it's unequivocal, and the one way we can get that ball rolling today — I know the two opposition parties are going to support this resolution — is to have the government members support the resolution. This is a free vote. This is an opportunity for you to move away from the clutches and the restraints of government and cabinet and speak out on behalf of your constituents and send a clear message to the Premier and to the cabinet that we want to ensure that the Ontarians with Disabilities Act is proclaimed and moved upon very quickly.

I urge government members to support this. You will be sending the best signal that any of us in the House can send today by supporting this resolution and not doing what is necessarily feel good, not doing what is necessarily special or different, but doing what is right and what is equal and what is necessary in this province.

**Mr David Christopherson (Hamilton Centre):** I want to take just a moment before our critic, the member for Fort York, expands on our position on this issue. Like my colleague for Hamilton East, I wish to recognize the work that's been done in our community of Hamilton-Wentworth and particularly to note that my former seatmate, Alderman Geraldine Copps, is here today, who, for all the time that I have known her, has devoted the majority of her effort in the interests of helping the disabled in our community. I'm pleased to see that she's here today to represent Hamilton-Wentworth and to be a part of this important issue.

I want to say very directly to the government that the most vulnerable people in this province are, first of all, the ones you've gone after first, the ones you've gone after the hardest, and they're the most frightened in this province. The government ought to believe it; people are frightened. Your agenda hurts people. Your agenda denies people hope. It denies people an opportunity to have a decent standard of living and a decent quality of life. Here's an issue that you ran on. One of your promises was that you would do something about this issue. If this government is going to hide behind weasel words like economic goalposts, then this is nothing more than a blatant broken promise.

The very least this government can do for the disabled, if they won't advance their cause, at the very least, keep your one promise to the most vulnerable you made in this society and do something in this area. Show you have at least a drop of human compassion because, quite frankly, there are millions of Ontarians who are convinced you don't care about them at all, and there's growing evidence that is the case.

I look to my colleague from Fort York and I thank my colleague from London Centre for raising this issue, but it's the government that has the responsibility, morally, legally and ethically, and we call on them to keep that commitment.

1130

*Interruption.*

**The Acting Speaker:** Order. I would like to remind the people in the gallery that you're not allowed to applaud; only the members on the floor, not the members in the gallery. Further debate?

**Mr Baird:** In the time left available to me, I would like to examine a number of initiatives coming out of the Ministry of Citizenship, Culture and Recreation in this government.

For instance, the ministry has within its purview the Ontario Human Rights Commission. The Ontario Human Rights Code provides for protection against discrimination on the grounds of disability. The goal of the code is to ensure that all Ontarians have equal rights and opportunities in employment, accommodation, goods and services, and facilities.

This government recognizes that persons with disabilities face physical and attitudinal barriers which often prevent them from being judged on their merit and from achieving their full potential. To help persons with disabilities participate in the paid workforce and in the volunteer sector, the equal opportunity plan launched following the repeal of the former government's quota legislation will include a fund to support access and accommodation.

Officials within the ministry are refining program design, assessing alternative service delivery options and actively implementing initial deliverables. Employer associations, employers and other parties have been contacted and are playing a leading role in equal opportunity partnerships. Management Board, the Ministry of the Solicitor General and the Ministry of Education and Training are implementing specific equal opportunity initiatives for their sectors.

Through our government's equal opportunity plan, we are establishing a fund to support access and accommodation for persons with disabilities, to participate in both the paid workforce and in the volunteer sector. The Ministry of Citizenship, Culture and Recreation, the Ministry of Community and Social Services and the Ministry of Health will develop proposals for a pilot project to test cost-effective accommodation components of employment-related programs for persons with disabilities.

We're making plans for a one-window information referral service, a clearinghouse of equal opportunity business resources, demonstration projects to encourage best practices and partnership building, and training in education through workshops, conferences and alternative formats.



We are committed to equal opportunity for all Ontarians through the development of an equal opportunity strategy. We are promoting fairness, removing workplace barriers and helping build an Ontario where hiring and promotion decisions are based on merit.

Last month, the Minister of Citizenship announced the initiative for vulnerable adults. This was the government's response to the legislated end of the Advocacy Commission as part of Bill 19. This government's approach to advocacy is non-intrusive. It supports community-based services without creating new legislation or duplicating services. Our approach provides support to families, volunteers, community workers and health professionals who are already delivering excellent services.

I know the honourable member opposite sat on the committee which examined Bill 19, and she and her colleague the member for Fort York delighted in repeating during the hearings and afterwards that this government would not provide any financial assistance to those most vulnerable in our society. In the debate on third reading, they asked for \$3 million. They said that's what deputations had asked for. Well, our initiative for vulnerable adults has committed \$3 million — let me repeat that — \$3 million to a community-based approach to supporting the dignity and interests of vulnerable adults.

The support for advocacy services will include the coordination of community-based advocacy through community development and other assistance, including a refocusing and near doubling of the community action fund to \$2.25 million; funding for an information and referral service including a toll-free line; funding for a clearinghouse for resource materials, and materials to support training and education efforts; a requirement that provincially funded and operated institutions provide accessible ways for dealing with the concerns of vulnerable adults.

**Mr Christopherson:** You cut \$25 million.

**The Acting Speaker:** The member for Hamilton Centre, you had your turn.

**Mr Baird:** As well, the ministry is looking at strategies to deal with abuse and neglect when it occurs. These strategies, among many others, include developing minimum safeguards to protect against abuse in institutions; working with stakeholders to develop and implement protocols to address abuse and neglect; developing guidance for enhancing police response to elder abuse; reviewing current practice with respect to prosecutions of abuse against vulnerable adults — regrettably, I don't have time to list them all.

To conclude, I would be remiss if I did not bring to the attention of this House a rather curious inconsistency in the sponsorship of this resolution by the member opposite. This inconsistency should be addressed by the honourable member before we vote on this resolution. Why is it that today the honourable member for London Centre calls on the government to implement an ODA when her government failed to act on an ODA when it had the chance?

In a survey presented by the member's interest group, the party position was, "This is an issue that will be considered by the government in its second term."

However, this is the same government which let the former member for York East's bill die on the order paper. Why didn't they call it for debate? Was it a busy legislative agenda? Did the House not have time to consider the legislation? The House only sat for some 20 days in the year leading up to the election campaign. It's curious why in five years, with so much free, available legislative time, not one single vote on final reading was ever called on this legislation. I think it's very important to point that out.

**Mr Tony Ruprecht (Parkdale):** I'm delighted today to support this resolution by the member for London Centre, because it is essential that we discuss this matter today.

I am reminded that in the past each of our parties made promises to the disabled community, and when we're being examined today, each of our parties could have done better.

Are we asking something extraordinary today from the government? No, we're not. We're simply asking that a promise to establish the Ontarians with Disabilities Act be kept. Obviously it is essential to ensure justice and fairness in Ontario. Justice and fairness mean access to jobs, justice and fairness mean access to our transportation systems, justice and fairness mean access to education and a host of other things.

If you will permit me to give you just a bit of history, in 1983, the United Nations proclaimed the Decade of Disabled Persons for the whole world.

**The Acting Speaker:** Order, please. You're not allowed to use any props in the House, please.

**Mr Rosario Marchese (Fort York):** It's not a prop; it's a scroll.

**The Acting Speaker:** Just place it back on the desk. You can refer to it, but I would ask you to refrain from using a prop in the House.

**Mr Ruprecht:** I want to read from it.

**The Acting Speaker:** Put it on your desk and you can read from it.

**Mr Ruprecht:** I will read it, Mr Speaker.

In 1983 the United Nations proclaimed the Decade of Disabled Persons. What did the party in power do? Did they immediately act on the resolution of the United Nations? No. It was pushed aside. In fact it was pushed aside until 1985, and at that time, of course, I had the honour to become Ontario's first minister for disabled persons. But at least the government, within 30 days, acted on the Decade of Disabled Persons and immediately established a secretariat with a special minister to ensure that the promises that had been made previously were kept and some guidelines were to be established.

What are those guidelines that all of us agreed on, that each party signed, that in fact the whole community signed in Ontario? The principles are:

"(1) That the dignity, independence and potential of persons with disabilities will be respected in all aspects of life.

"(2) That persons with disabilities have equal rights and equal obligations in common with all citizens to participate in and contribute to community life.

"(3) That efforts will be made to increase public knowledge and awareness of the abilities and needs of



persons with disabilities in order to break down the barriers which exist due to a lack of understanding and outmoded attitudes.

"(4) Public cooperation will be sought to promote positive action in broadening access of persons with disabilities into the life of the community.

"(5) Services and programs will be aimed at integrating persons with disabilities into existing social and economic structures" — the word you like so much.

"(6) Consultation will take place among governments in all sectors of society to ensure a coordinated effort will be established."

We all signed this and we tried to ensure that these will be guidelines not only for all Ontarians to understand but guidelines and principles for all of us to follow. Have we kept that promise? No. I'm reminded two years ago I was asking at that time the present government of the NDP, "Where is the minister of disability?" Two years ago, I couldn't find him because he was axed or she was axed, gone.

1140

I asked the second question: "Where is the secretariat of disabled persons? Where did they disappear to?" The same question can be replied with the same answer: axed and gone. The reason I'm bringing this to your attention today is because all of us agree essentially on the principles and today we can do something about it. I support the resolution by the honourable member for London North; her colleagues support the resolution; all of us will support the resolution. I hope that the government, you too, who are speaking right now, will also support this resolution.

Why am I asking that question? Because I'm simply saying all of us could have done better and we have a chance right now to support this resolution simply because we're not asking anything out of the ordinary, we're asking for simple justice and fairness for Ontario's disabled persons, and today is the day that we can at least maintain part of our promise.

**Mr Marchese:** I'm very happy to stand today to support the resolution from the member for London Centre, because I think it is an important resolution and she has been a very strong advocate in this field for a very long time. I want to speak to some of the comments that have been made by the members from Huron and Nepean. I think the pernicious actions of this government vis-à-vis the issues of equity are very, very transparent.

The previous government introduced employment equity legislation that was designed to deal with issues of inequality as it relates to women, people of colour, people with disabilities and aboriginal people. We did that with the knowledge that historically these groups have not had the same access to employment equity, to employment fairness in the workplace. We introduced another piece of legislation, the Advocacy Act. Through the Advocacy Commission we thought and felt that people, frail seniors and people with disabilities, would once and for all have a voice they have not had for a long, long time. We did it with the knowledge that people in the field for 20 years were screaming for an Advocacy Act. We had introduced it.

*Interjection.*

**Mr Marchese:** One of the members says it didn't work. They had barely five months to begin to introduce a system to bring about greater fairness for these people and these members say it didn't work. Your pernicious actions are very transparent. In a matter of weeks, with a few simple words, you repealed the Employment Equity Act and you repealed the Advocacy Act. You have absolutely no shame when it comes to destroying everything we tried to do that restores, gives people with disabilities, people who have been traditionally shut out, an opportunity for greater fairness. You have broken all that down, tearing it down, and you're not building anything with your actions.

So what does this government say? "Don't worry. Employment equity is gone, but you are all equal. Discrimination is against the law so you should all feel good about the fact that because discrimination is against the law, you are all equal. Therefore, there is no discrimination against women, no discrimination against people of colour, no discrimination against people with disabilities because it's against the law." If it were against the law, why does discrimination continue to exist?

I alluded to a study that the Ministry of Citizenship did the other day where four in 10 Chinese Canadians said, "There's discrimination against us." The response from the Minister of Citizenship was, "Discrimination is against the law." I guess Chinese Canadians should go home and feel good because this government says we are all equal and there is therefore no discrimination. But the people who are hurt by discriminatory attitudes know that discrimination continues and that what you have done by repealing the Employment Equity Act and the Advocacy Act is a despicable, inexcusable act, and those people affected by it will not forget it.

The member for Huron continues and says, "We have an equity plan." Nobody knows what the equity plan is. No one in government knows what the equity plan is because there is no plan. There is no plan that gives equity to people who traditionally have been discriminated against. She talks about the resolution here that speaks to the fact that this government in 1995, May 24, promised to deliver an Ontario Disability Act. She says, "Ah, but there are a few words following that, and those few words are 'within the economic goalposts.'" What does that mean? They're taking down the net. They're taking the posts and the net is gone. That's really what it means. There was no promise if you accompany the whole promise by having economic goalposts. If you take the posts away, there is no promise any more, which means you didn't mean to promise it, except to deceive these people that somehow when you went into government you would do something about it — complete flim-flam deception from this government on this very issue.

The Tories talk about the few millions of dollars that they're putting in to support seniors, that they're putting in to support women on issues of breast cancer, the \$5 million they're putting to feed the kids in the schools, but they fail to remind you they have taken \$8.3 billion out of the budget by next year, \$8.3 billion gone. Then they say, "Oh, but we're putting in a few million dollars to protect women, to protect people with disabilities, to protect seniors and to give food to the children in the



schools." But they've taken the base and the foundation away. They've torn down the building. They take a few bricks, give them back and say, "But look what we're doing for women, for seniors, for people with disabilities." Does that make sense to those of you listening here, to those of you who have been able to be here today to witness this? Does that make sense? I say it doesn't make sense.

They refer to the Human Rights Code as the mechanism for dealing with discrimination, and they say: "But we've got that in place, so don't worry. If you've got a problem with discrimination on the basis of a disability, on the basis of race, you can go to the Human Rights Commission. And don't worry, we promised that once we would get rid of the Employment Equity Commission, we would put some of that money back." Lo and behold, they did not. I knew they would not. These are promises that are very empty when it comes to issues of this sort.

The couple of million dollars they said they would put back to the Ontario Human Rights Commission is not there; in fact, they took \$700,000 away from the Human Rights Commission. But they say, "That's okay, because by taking money out of the system, we're going to make it more efficient." That's what they say. They say, "We are going to do more with less." We know the story of Jesus around this, but I'm not sure the Tories can do it.

*Interjections.*

**The Acting Speaker:** Order. No interjections, please.

**Mr Marchese:** We've heard about Jesus being able to do some miracles of this kind, but surely the Tories, as all of you here have witnessed, not just today but over a period of time, can't do it. They cannot do more with less. It's quite obvious. It's contradictory. You cannot do more by taking out a lot. It seems in the Tory world, the Disneyland of the Tories, they can do it, but those who are watching and listening know that you cannot.

The Human Rights Commission is a good thing. The Human Rights Code is an important thing, because it says, "You shall not discriminate," and it's a good mechanism and tool for people to have. The problem is, it's complaint-driven. It says that where you have been aggrieved, where there is a problem and you feel there has been discrimination, you've got to take it there to the Human Rights Commission, and then the loops in the Human Rights Commission — so many of you here today know the loops you've got to get through to get your case heard.

But don't worry, those of you present today. The Tories are going to make it better, because they're taking money away and they're going to do more with less. So your case, if you get there, will be dealt with. It will not be dealt with very easily, because the backlog is long, because it takes a great deal of time, because it takes a huge effort from an individual who seeks redress to get there and then to suffer the length of time that it takes to get your story dealt with. It takes a long, long time.

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So the Human Rights Code and the Human Rights Commission are important to have, but it's not enough. We need something more. We need to be able to deal with physical barriers that are in society at every imaginable level; arbitrary measures that prevent full participa-

tion in employment, in job training, in housing, in public and private transportation, in goods, facilities and services. We need to remove those barriers, those physical barriers, and we need to deal with attitudinal barriers that are within the system, that are systemic, and they're not going to go away.

Voluntary educational opportunities, voluntary educational programs, will not work; they do not work. We need a law. You, Conservative government, have made a promise. Your leader, and perhaps some of you don't know this, made a promise, May 24, 1995, that he would deliver through an Ontarians with Disabilities Act.

**Mr Peter L. Preston (Brant-Haldimand):** Where's yours?

**Mr Marchese:** No, not where's mine; where is yours? You made that promise, and you like to keep your promises. Except when you go after the vulnerable, you don't keep them. But when you have to go to get money from the very wealthy, who are avoiding paying their taxes, you take your sweet time to do it.

We need an Ontarians with Disabilities Act to supplement the Human Rights Code, an act that would promote the removal of serious existing barriers and prevent the erection of new barriers; an act that would provide specific direction to employers, landlords, service providers, manufacturers in housing and transportation. We need an effective process for enforcement, and we hope, through this resolution and through the act that your Premier has promised to introduce, that finally we will get justice for people who have been excluded for a very long time. Hopefully, you will remedy your mistakes of having repealed the Employment Equity Act and the Advocacy Act and eliminated the Anti-Racism Secretariat through this promise of introducing an Ontarians with Disabilities Act.

**Mr Frank Klees (York-Mackenzie):** Periodically, matters come before this House that would allow us to set aside partisan rhetoric, and I believe that this resolution would have been one of those and should have been one of those resolutions that would have allowed us to do that. Unfortunately, that didn't happen.

But what I would like to do is take this opportunity to commend the member for London Centre for bringing this resolution forward. I also believe very strongly that it's very important that we, as a government, do as we said we would do and protect those who are the most vulnerable in our province. I agree with the member when in her resolution she states that all persons should be able "to enjoy equal opportunity and full participation in the life of the province." I will be supporting this resolution.

**Mr Mike Colle (Oakwood):** I'm very happy to hear that the honourable member across the way is going to support it, because this is a free vote, and I think this gives every member on the other side an opportunity to support something they believe in. It encourages your government to proceed down the road to establishing the Ontarians with Disabilities Act. I know that you also always emulate initiatives south of the border. As you know, the American government has the Americans with Disabilities Act, so I think it's part of what you believe in, to follow good things they're doing south of the border.



I would just like to say that one specific example that concerns me about the government's track record on this is that there are sometimes things that happen below the surface. I know, rather than getting into statistics and budget numbers, the way your government has impacted on real people. I have a single mother in my riding who has a disabled child. One of the first things your government did was to cut her social assistance. I appealed to the minister and said: "This mother is the friend and caregiver of her disabled child. She dresses him, she clothes him, she walks him, she plays with him and takes him to school. When you cut \$300 from that mother who stays at home taking care of her child and friend, you're cutting that disabled youngster." Despite that appeal, this mother right now cannot pay her property taxes and cannot put enough food on the table. That \$300 a month not only affects the mother, who supposedly is able-bodied, but has been an impact on that disabled child who is part of her family.

That's where you've hurt people. It's not just a matter of numbers, it's not just a matter of economic goalposts; we're talking about human beings. We're not talking about sports or playing fields, we're not talking about economics; we're talking about human dignity.

**Mr James J. Bradley (St Catharines):** In our society, people who do not require the intervention of government are the wealthy, the powerful and the privileged. Those who do need the intervention of government are the disabled, the disadvantaged and those unable to speak for themselves. We, as legislators, have that opportunity to speak for those who often are not in the major halls of power and do not have the advantages that others have.

Not that many years ago people with disabilities were relegated to the sidelines, left to fend for themselves and dependent upon the charity of others. Progress has been made in recent years, but it has often been with resistance from those who believe they have been inconvenienced.

Significant cuts have taken place by this government, these cuts have impacted adversely on the disabled and the families of the disabled and they have been unable to meet the needs they have as a result.

When people representing individuals who are developmentally challenged, people from the associations for community living, gathered on the front lawn of the Ontario Legislature a few years ago when the NDP government was in power — they were there to protest the level of funding at that time — members of the Conservative Party were very quick on that occasion to condemn and eager to support those who were on the front lawn.

Conservative members now have the chance to translate that express concern into action. They can do so by supporting this resolution, whose time has come, not only by supporting the words in the assembly this morning, not only by rising in their seats to vote in favour of it, but also by acting upon the provisions of this resolution. The action will be the measure by which you are judged as opposed to simply the symbolic standing in the Legislature.

I encourage all members of the Legislature to rise and support this motion and to ensure that the government moves forward to implement its provisions.

**Mrs Boyd:** I'm pleased to stand and summarize the debate for this resolution. I have listened with great care to the members of the opposition, as have, I am sure, all the people here to hear this: my daughter, who is a 25-year-old with multiple sclerosis; two of our former colleagues, one born with a disability and one having acquired a disability; and all the others here and in the rooms in this place who are going to be watching to see whether this government is going to keep its promise.

The weasel words in the promise are enough to protect you, because if you make it possible for disabled people to be self-sufficient, to be taxpayers, it will be well within the goalposts of the Common Sense Revolution.

That is what these people are asking for. All they want out of life is to have the barriers that have been erected in the past destroyed, the barriers that we erect every day in the way we do things not to be erected in the future, and for us to actually give them equity, not equality. When you have a disability, equality is not the same thing as equity. Equity means that you actually have the chance to access that opportunity, and it cannot be on the basis of simple equality. They will always remain disadvantaged under those circumstances.

I urge the members of this House: This is our opportunity to keep a promise and it is an opportunity for us to dedicate ourselves to rectifying some of the wrongs of the past, to really show people that we do not just have fine words, that the dollars we have are not the most important thing. The most important thing is working with them to help them be productive and contributing members of society. That is all they want.

If in fact we destroy that opportunity by making it impossible for school boards to continue the supportive work towards equity for students — and many, many school boards are telling us, and I know they're telling you, that the job of providing that opportunity, certainly within the local community, is disappearing, given the cuts that have happened to education.

We know, yes, there's some money going in to help disabled students in universities, but I can tell you, those who try to get around most universities know that it is a drop in the bucket to what needs to be done. And let's look around us here today. Those of us who cope every day with this wonderful historic building know what barriers are and we know how hard and how difficult it is to try and remove those barriers. But the last three governments of Ontario have been committed to doing that in this place, and we know we have not yet succeeded; we know we must keep on trying. We can do that in other places.

The member for Brantford says he can't vote for the first resolution because of a promise made by the government. Let me tell you, you must vote for this resolution because you also made a promise to the disabled of this province.

#### RENT REGULATION

**The Acting Speaker (Mr Gilles E. Morin):** We will deal first with ballot item number 29, standing in the name of Mr Curling. If any members are opposed to a vote on this ballot item, will they please rise.



Mr Curling has moved private member's notice of motion number 19. Is it the pleasure of the House that the motion carry?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion, the nays have it.

#### ACCESSIBILITY FOR THE DISABLED

**The Acting Speaker (Mr Gilles E. Morin):** We will now deal with ballot item number 30, standing in the name of Mrs Boyd. If any members are opposed to a vote on this ballot item, will they please rise.

Mrs Boyd has moved private member's notice of motion number 18. Is it the pleasure of the House that the motion carry?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion, the ayes have it.

Call in the members. There will be a five-minute bell.

*The division bells rang from 1204 to 1209.*

#### RENT REGULATION

**The Acting Speaker (Mr Gilles E. Morin):** Mr Curling has moved private member's notice of motion 19. All those in favour of the motion will please rise and remain standing until your names are called.

##### Ayes

|                       |                      |                  |
|-----------------------|----------------------|------------------|
| Agostino, Dominic     | Curling, Alvin       | Martel, Shelley  |
| Bisson, Gilles        | Duncan, Dwight       | Martin, Tony     |
| Boyd, Marion          | Gerretsen, John      | McGuinty, Dalton |
| Bradley, James J.     | Grandmaître, Bernard | McLeod, Lyn      |
| Brown, Michael A.     | Gravelle, Michael    | Phillips, Gerry  |
| Christopherson, David | Kormos, Peter        | Ramsay, David    |
| Churley, Marilyn      | Kwinter, Monte       | Ruprecht, Tony   |
| Colle, Mike           | Lalonde, Jean-Marc   | Silipo, Tony     |
| Cordiano, Joseph      | Laughren, Floyd      | Wildman, Bud     |
| Crozier, Bruce        | Marchese, Rosario    | Wood, Len        |

**The Acting Speaker:** All those opposed will please rise and remain standing until your names are called.

##### Nays

|                 |                     |                       |
|-----------------|---------------------|-----------------------|
| Baird, John R.  | Johns, Helen        | Preston, Peter        |
| Barrett, Toby   | Johnson, Bert       | Rollins, E.J. Douglas |
| Boushy, Dave    | Johnson, Ron        | Sampson, Rob          |
| Chudleigh, Ted  | Jordan, Leo         | Shea, Derwyn          |
| Doyle, Ed       | Klees, Frank        | Sheehan, Frank        |
| Fisher, Barbara | Martiniuk, Gerry    | Stockwell, Chris      |
| Froese, Tom     | Munro, Julia        | Turnbull, David       |
| Galt, Doug      | Ouellette, Jerry J. | Wood, Bob             |
| Hastings, John  | Parker, John L.     |                       |

**Clerk of the House (Mr Claude L. DesRosiers):** The ayes are 30; the nays are 26.

*Interruption.*

**The Acting Speaker:** The members in the gallery — order, please. Order. The members in the gallery are not allowed to applaud.

I declare the motion carried.

I'd just like to remind the members that the doors will be open for 30 seconds to permit those who are outside to come in or for those who want to leave to leave now.

#### ACCESSIBILITY FOR THE DISABLED

**The Acting Speaker (Mr Gilles E. Morin):** We will now vote on the private member's notice of motion number 19, introduced by Mrs Boyd.

All those in favour of the motion will please rise and remain standing until your names are called.

##### Ayes

|                       |                      |                       |
|-----------------------|----------------------|-----------------------|
| Agostino, Dominic     | Galt, Doug           | McLeod, Lyn           |
| Baird, John R.        | Gerretsen, John      | Munro, Julia          |
| Barrett, Toby         | Grandmaître, Bernard | Ouellette, Jerry J.   |
| Bisson, Gilles        | Gravelle, Michael    | Parker, John L.       |
| Boushy, Dave          | Hastings, John       | Phillips, Gerry       |
| Boyd, Marion          | Johns, Helen         | Preston, Peter        |
| Bradley, James J.     | Johnson, Bert        | Ramsay, David         |
| Brown, Michael A.     | Johnson, Ron         | Rollins, E.J. Douglas |
| Christopherson, David | Jordan, Leo          | Ruprecht, Tony        |
| Chudleigh, Ted        | Klees, Frank         | Sampson, Rob          |
| Churley, Marilyn      | Kormos, Peter        | Shea, Derwyn          |
| Colle, Mike           | Kwinter, Monte       | Sheehan, Frank        |
| Cordiano, Joseph      | Lalonde, Jean-Marc   | Silipo, Tony          |
| Crozier, Bruce        | Laughren, Floyd      | Stockwell, Chris      |
| Curling, Alvin        | Marchese, Rosario    | Turnbull, David       |
| Doyle, Ed             | Martel, Shelley      | Wildman, Bud          |
| Duncan, Dwight        | Martin, Tony         | Wood, Bob             |
| Fisher, Barbara       | Martiniuk, Gerry     | Wood, Len             |
| Froese, Tom           | McGuinty, Dalton     |                       |

**Clerk of the House (Mr Claude L. DesRosiers):** The ayes are 56; the nays are 0.

**The Acting Speaker:** I declare the motion carried.

All matters related to private members' business having been debated, I will now leave the chair. The House will resume at 1:30 of the clock this afternoon.

*The House recessed from 1215 to 1331.*

#### MEMBERS' STATEMENTS

##### TAX REDUCTION

**Mr Mike Colle (Oakwood):** In the city of York we have witnessed at first hand the impact of the Harris slash-and-burn agenda. The first thing the Conservative government did without warning was cancel the Eglinton subway project. This resulted in 10,000 lost jobs, jobs that the people of York were basing their hopes on — hope for a York city centre, hope for urban renewal and hope for better transportation. Cancelling the Eglinton subway means not only more unemployment but also continual bumper-to-bumper traffic, more traffic jams, more air pollution and unbearable congestion 24 hours a day.

Next on the chopping block seems to be our North-western General Hospital. Where will our seniors go for emergency care? Where will the 800 people who work in Northwestern hospital find new jobs? Mr Harris said he wouldn't cut health care, yet he's cut \$1.3 billion.

Where are the jobs for all the young people who could have worked on building the Eglinton subway? Where are all the jobs for the young people who could have worked at Northwestern hospital or teaching in our schools? What good is the Harris tax cut when you've lost your job? What good is it?

#### ACCESSIBILITY FOR THE DISABLED

**Mr Rosario Marchese (Fort York):** This morning we passed unanimously a resolution that was introduced by my colleague the member for London Centre. It reads as follows:

"That in the opinion of this House, since persons with disabilities in Ontario face systemic barriers in access to employment, services, goods, facilities and accommodation; and

"Since all Ontarians will benefit by the removal of these barriers, thereby enabling these persons to enjoy equal opportunity and full participation in the life of the province;

"Therefore, the government of Ontario should keep its promise as set out in the letter from Michael D. Harris to the Ontarians with Disabilities Act Committee, dated May 24, 1995...."

People with disabilities, who came here in great numbers from London, Hamilton, Toronto and many other areas, demand full participation in society as people who deserve and want to work and want to contribute in society. They want physical barriers removed. They want attitudinal barriers to be dealt with by government in a proactive way.

They say that the Human Rights Code is not enough, that they need something much more proactive to be able to deal with discrimination as it relates to people with disabilities. They want Mike Harris, the Premier of this province, to keep his promise and deliver on the Ontarians with Disabilities Act. We urge him and the minister to meet with them as soon as possible to do that.

#### ENDOMETRIOSIS

**Mrs Helen Johns (Huron):** I have a challenge for the members in the House today: Can they identify this disease?

This is a disease that affects approximately 500,000 women in Canada. It is a condition where tissue normally found in the uterus is also found in other areas such as the ovaries, the bowel and the bladder, causing internal bleeding.

The cause is unknown and the symptoms include, but are not limited to, chronic pelvic pain, ongoing fatigue, low resistance to infection, extensive allergies and difficulty becoming pregnant.

It is commonly found in 10% to 15% of women between the ages of 25 and 44, but can also be found in teenage women. Between 25% and 50% of infertile women have this sometimes very painful disease.

Treatment is individualized, based on patient's age, severity of symptoms and reproductive wishes. Only by totally stopping ovarian function can doctors prevent the recurrence of this disease.

For those in the Legislature who are still unsure, I'll help them. The disease is endometriosis and May 19 to 25 is their awareness week. I trust that all members who were unsure of the answer of this challenge at the beginning will learn more about this disease.

#### TAX REDUCTION

**Mr Dominic Agostino (Hamilton East):** We're now seeing the full effects of the 5% cut that the Ministry of Community and Social Services has made to agencies across the board in this province, the \$86 million that was taken out of these agencies in July.

We need not look any further than a riding like York South to see the impact of the Harris revolution, dozens and dozens of casualties in this war to deliver a tax cut to the wealthy in this province.

One must wonder why service provided by the community information centre for the city of York on Eglinton Avenue would have funding cut by this government. One would have to go down to 2468 Eglinton Avenue West and visit the York Child and Family Centre to see the impact of the funding cut on children and families in York and in the riding. I wonder why Mike Harris cut the York Child and Family Centre.

I wonder why Tory candidates like Rob Davis support the cuts to the centre, cuts to the Jane Woolner Neighbourhood Association on Jane Street, cuts to the York Community Services, cuts to the children's aid societies, cuts to women's shelters, cuts to seniors' and disabled services, benefit cuts to seniors and disabled.

The list goes on and on. It is too long. It would take hours to read the list of casualties in York South as a result of this government and one must ask the Tory candidate in York South if he supports these cuts, if he supports every single one of the agencies that the Mike Harris government cut by 5% last July.

#### EDUCATION FINANCING

**Ms Shelley Martel (Sudbury East):** Last Thursday evening, the Sudbury and District Labour Council and a number of teacher affiliates organized a forum on cuts to education in our community. The event was very well attended by teachers, parents and students and it demonstrated the strong concern that people have with the cuts to education being made in our community. These run counter to the promise made by the Conservatives in the Common Sense Revolution, specifically, and I quote: "Classroom funding for education will be guaranteed."

The fact is that education cuts in our community have led to the following: The St Albert Learning Centre is now at risk of closing; the separate school board has sent layoff notices to 100 staff and its tax increase is just over 6%; the public school board has issued layoff notices to 135 staff, and these include education assistants, guidance counsellors, two special education teachers and a psychologist, and their tax increase is 5.9%; junior kindergarten was protected this year, but trustees made it clear that the future of the program was dependent upon the level of cuts expected by the Conservatives to education next year.



People at the forum had a message for Mike Harris, and it reads as follows:

"Stop the cuts to education!

"and

"Ensure full funding for quality education programs

"Invest in future success by fully supporting early childhood programs

"Maintain a broad range of courses and programs for all students through to high school graduation

"Maintain full services for students at risk

"Invest in Ontario's economy by maintaining day school programs for adult students."

I agree with all of those people.

#### MEMORIAL CUP HOCKEY CHAMPIONSHIP

**Mr R. Gary Stewart (Peterborough):** I rise in the House to inform all members about the Memorial Cup hockey championship currently being played in Peterborough. The Memorial Cup is Canada's junior A hockey's prestige trophy. I believe that the level of organization and keen interest that our community demonstrated towards the sport of hockey played a key role in bringing the Memorial Cup to our city. Peterborough truly is a great city to host a major hockey championship.

Since the tournament began last weekend, the city of Peterborough has benefited economically and has provided an excellent venue for spectators to witness the skills and talents of future hockey greats.

Such an event brings a great deal of activity and excitement to any community. Many community events have been planned around these hockey championships and all have been most successful.

Community spirit is alive and well in the city of Peterborough. I would like to wish the Peterborough Petes, Guelph Storm, Granby Predateurs and Brandon Wheat Kings all of the best as they enter the final week of tournament play, and congratulate the entire community for a job well done.

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#### GASOLINE PRICES

**Mr David Ramsay (Timiskaming):** You know, there was a time in Ontario when the role of the Minister of Consumer and Commercial Relations was to protect the interests of consumers. All that has changed. Now that the Ewing family is governing Ontario, the moneyed interests of big oil companies appear to have taken priority.

Since January of this year, gas prices in Ontario have gone up 17%. That translates into 61.9 cents a litre in southern Ontario and up to as much as 80 cents in the north. But rather than defend Ontario motorists from unreasonable gas prices, Consumer and Commercial Relations Minister Norm Sterling, the JR Ewing of the Tory caucus, is opting to defend the companies that are responsible for driving up gas prices sky-high.

However, the minister is not quite as slick in his defence of the oil companies as an oilman should be. Yesterday, Norm Sterling blamed the rise in gas prices on tax increases that happened more than a decade ago. Minister, tax increases that happened a decade ago cannot

explain a 17% rise in gas prices over the last four months and certainly cannot explain why the price of crude has dropped by 10% in early April without a corresponding drop at the gas pumps.

In making such a crude statement, the minister has shown he has no time for the concern of Ontario consumers when it comes to protecting them from rising gas prices. That is because he's too busy trying to defend the oil companies that do business in Ontario.

It is clear that there is no one in the Tory caucus who is going to defend Ontario motorists from the profit-hungry oil companies, and the only question remaining is who is going to protect Ontario consumers from a minister who tries to sell them snake oil when all they want is affordable gas prices.

#### PROPERTY TAXATION

**Mr Tony Silipo (Dovercourt):** I want to try to remind this government today about the absurdity of their proceeding to take property taxes out of the Metropolitan Toronto area, as they are doing now through Bill 34 and as they are proposing to do in an even broader way given the statement in the budget around pooling.

I want to point out first of all the injustice of this in terms of what it will do, that we will see property taxes, something which have been used historically in this province to be expended by school boards and municipalities, for the first time being taken on by the government that said that there was only one taxpayer and by the government that said that they wanted to actually reduce taxes, not increase them.

Secondly, I want to point out the inconsistency, an inconsistency that doesn't seem to bother either the Minister of Finance or the Premier, when they on the one hand can rail against the federal Liberal government when it uses Ontario tax dollars to subsidize GST harmonization in the Maritimes, but at the same time can turn around and take property tax dollars out of local municipalities and transfer them into the coffers of the provincial government.

That is wrong, but what is even more absurd is the illusion that this is something that's going to affect only Metropolitan Toronto. It will start there, but the Muskokas, the Hamiltons, the rest of the province is going to be next in line. So I say to those communities, beware.

#### INTERGENERATIONAL WEEK

**Mrs Julia Munro (Durham-York):** It is a pleasure to rise on behalf of my colleagues here in the Legislature to announce a special time in the province of Ontario, Intergenerational Week, from May 15 to 21.

United Generations Ontario, sponsor of Intergenerational Week, is a coalition of human service organizations and individuals dedicated to promoting programs that bring the young and the elderly together in a spirit of cooperation, mutual support and shared affection and regard.

More than 100,000 seniors, youths and children in Ontario are now involved in intergenerational programs that empower people to take a constructive part in the life of their own communities and to create a vital volunteer

exchange in caring and sharing. Such programs exist in most communities throughout Ontario, including Durham region, Grey-Bruce-Muskoka, Ottawa, Gananoque and Windsor.

We can all learn from the intergenerational pledge: "To respect the ways of other ages; to win the hearts, not belittle the thinking, of other generations; to extend intergenerational cordiality beyond acquaintances and family; and to advocate intergenerational harmony in the community."

Today, more than ever, we need to recognize the importance of groups like this.

#### VISITORS

**The Speaker (Hon Allan K. McLean):** I would like to inform the members of the Legislative Assembly that we have in the Speaker's gallery today a delegation from the province of Manitoba, headed by the Honourable Albert Driedger, Minister of Natural Resources. Please join me in welcoming our guests.

I would also like to inform the members that we have in the Speaker's gallery today Mr Alexey Talonov and Mr Zufar Kamalov from the Yeltsin Democracy Fellowship Program in Russia. Welcome.

#### LEGISLATIVE PAGES

**The Speaker (Hon Allan K. McLean):** I would like to bring to the members' attention that this is the last day in the House for our current group of pages. I know all members join me in saying thank you to these pages for their hard work in the chamber.

#### WRITTEN QUESTIONS

**Ms Shelley Martel (Sudbury East):** On a point of order, Mr Speaker: I would refer you to section 97 of our standing orders, specifically 97(a) and 97(d), which read as follows:

"(a) Questions seeking information from the ministry relating to the public affairs of the province may be placed by notice on the Orders and Notices paper....

"(d) The minister shall answer such written questions within 14 calendar days unless he or she indicates that more time is required because the answer will be costly or time-consuming or that he or she declines to answer, in which case a notation shall be made on the Orders and Notices paper following the question indicating that the minister has made an interim answer, the approximate date that the information will be available, or that the minister has declined to answer, as the case may be."

The point of order that I'd like to raise is as follows: I tabled a number of order paper questions on April 24 to the Minister of Transportation, the Solicitor General and Minister of Correctional Services, and the Minister of Natural Resources and Northern Development and Mines. The questions asked for specifics on job losses in northern Ontario directly as a result of the downsizing of the public service that had been announced by the Chair of Management Board on April 11.

The deadline for responses has come and gone, and still I have received no interim answer, or any answer,

from the Minister of Natural Resources. I raise that because today I know that hundreds and hundreds of layoff notices have been provided to MNR staff right across this province, affecting any number of communities but particularly communities in northern Ontario. It's clear that the minister had the information I requested, because it involves the layoff notices that have gone out today. It's also clear that he has refused to provide this to me even though I have used the legitimate means of this House to try to get that —

**The Speaker (Hon Allan K. McLean):** Will the member let me know which question it is.

**Ms Martel:** What recourse do I have?

**The Speaker:** Order. Which number is it that you were referring to on the order paper? I am sure that the minister is aware of the request. She has a point of order. I would urge the honourable minister to —

**Ms Martel:** The order paper numbers run from 400 to past 418.

**The Speaker:** Thank you.

Time for ministerial statements.

#### STATEMENTS BY THE MINISTRY AND RESPONSES

##### CONSUMER PROTECTION

**Hon Norman W. Sterling (Minister of Consumer and Commercial Relations):** Later today I will be introducing legislation in this House to support our government's mandate of redefining the role of government in the delivery of programs and services to the public while reducing red tape that hinders economic growth.

The Safety and Consumer Statutes Administration Act will also meet my ministry's dual obligation to the people of Ontario to ensure consumer protection and to promote public safety. The bill will enable industries and professions to have greater involvement in the delivery of public safety programs and will increase professionalism in the marketplace.

We are proposing to remove unnecessary government intervention in the marketplace and to delegate to mature industries the authority and responsibility for self-management to improve professional regulation and consumer protection.

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We are also proposing to establish a self-funded, not-for-profit organization to permit industries to have a greater involvement in the delivery of public safety programs and services.

These initiatives will not only maintain the high public safety and marketplace standards Ontarians have rightly come to expect, but will also provide us with a significant opportunity to enhance these standards and to benefit from a wide range of efficiencies and improvements expected as a result of these measures.

The government will maintain its critical responsibilities for public safety and consumer protection. We are also maintaining our critical responsibility for setting public safety and marketplace standards through legisla-



tion, regulations, policy approval and monitoring industry performance.

We have built into the Safety and Consumer Statutes Administration Act strong accountability mechanisms to ensure the public interest is preserved throughout the transition process.

Under the self-management section of the bill, when it is passed, four industries — motor vehicle dealers, real estate brokers and agents, travel agents and cemeteries — will be given responsibility for the administration and delivery of certain functions that are currently being delivered by the Ministry of Consumer and Commercial Relations.

The bill provides a framework to pursue industry self-management when the government is assured that the industries are able and willing to self-manage, but it is a staged approach which depends on further negotiations with each industry, a progressive transition period and signed agreements by all parties to be in place before full self-management is realized. It is legislation that recognizes those industries which have demonstrated in the past their readiness to play a greater role in the running of their own affairs.

The second aspect of this legislation, under the safety administration section, proposes the creation of a self-funded, not-for-profit organization that would be delegated the administrative and service delivery functions currently being performed by my ministry's technical standards division.

The safety organization will continue to deliver all current safety programs in four areas: boiler and pressure vessels, elevating and amusement devices, hydrocarbon fuels and equipment, and upholstered and stuffed articles. It will be responsible for such activities as the licensing, registration and certification of tradespeople, contractors and facilities, and increased education and training programs for inspectors. Direct access to technical expertise will mean that the organization's complex operations can be managed with a higher degree of professionalism while better meeting marketplace requirements.

The safety organization will continue and, we believe, accelerate the important work of harmonizing national and international technical codes and standards and the delivery of public safety programs and services which help industries develop export markets and streamline their operations.

I will be meeting with my federal and provincial counterparts on consumer-related issues in September. I've written to Industry Canada to ensure that these issues are on the agenda for discussion at the national level.

Overall, our approach, as outlined in the legislation, will enable us to maintain more focus on real results, rather than the technical procedures and delivery mechanisms. It fits right into our mandate of doing better for less. It also retains our commitment to improve public safety and marketplace standards.

**Mr Bruce Crozier (Essex South):** It's my privilege to rise in response to the minister's statement today. I want to tell the folks in the galleries here and those who are at home that it's a good thing it's Thursday and the constituency break is coming up, because we just listened to

about five minutes of nothing but hot air that may have come out of one of these boilers the minister was talking about.

I see this basically as a Bill 26 in reverse. Rather than the minister taking on all kinds of unilateral powers, this minister is simply giving them away. He's abdicating the province's responsibility.

He talks with great aplomb about public safety programs and services. Let me remind the minister that all over this province in the past, notwithstanding the current regulation and inspections that are in place, we have had people injured and killed in accidents at amusement parks, yet the minister tells us that elevating and amusement devices will be privatized and self-regulated.

I don't know whether these amusement devices include video lottery terminal slot machines, because they can be damaging too, but I don't think we want to ride on those kinds of devices if there isn't an arm's-length accountable person who has inspected those devices. I suggest that it's going to take a lot of effort on the government's part to see that this self-regulation is carried out.

I'm sure that in some areas under this omnibus legislation motor vehicle dealers, real estate dealers, travel agents and cemeteries for the most part are very responsible, have been in the past and I think can be in the future, and we will want to review that portion of the bill carefully, but we can see there would be some advantage in it.

Certainly, when you get into the areas of public safety, when the public is at risk, we have a minister who says: "I'm not concerned about you consumers. In fact, as Minister of Consumer and Commercial Relations — I'm only interested in the commercial side; I don't care about consumers any more — I'm going to wash my hands of that."

When it comes to this legislation, we're going to have an awful lot to say about it. I hope it isn't a hollow piece of legislation made up of regulations outside of it that we can't speak to or that we don't have any control over.

Another area where this minister is abdicating his authority when it comes to the consumer is that of gas prices. He tells us he doesn't have a role to play in that. Quite frankly, Minister, you're the spokesperson on behalf of consumers in this province. As my colleague said earlier, the increase in prices we've seen for this weekend, that are going to be higher this weekend and then lower after the weekend, aren't the responsibility of anybody or anything that happened in the past; it's what's happening right now.

I've said before that I think this minister, the gaming guru of Ontario, the saviour of this government when it comes to revenues the Premier doesn't want, is the second or third most powerful person in cabinet. I'm surprised that in the areas of public safety, in the areas of gas prices, even in the area of auto insurance he won't speak out on behalf of the consumer. He just leaves it to somebody else. I think it's time that this minister took his responsibilities seriously and that he spoke on behalf of consumers of this province as well as of commercial interests.

Last but not least, I do have to mention once again slot machines. Please take a second look at slot machines



because they can be just as harmful as anything else you might be involved with in your ministry.

**Mr Peter Kormos (Welland-Thorold):** This doesn't come as any great surprise to us. You will recall, Speaker, that the minister was questioned some brief time ago about this very proposal to gut the Ministry of Consumer and Commercial Relations, to abdicate its responsibility for protecting consumers here in the province of Ontario.

The minister at the time, and I suspect it was only a lapse, because he was unable to confirm what he knew; not that he lied to the House — he would not have done that, would he? I certainly couldn't say he did that, whether he did or not, but far be it for me to suggest that this minister in fact did prevaricate in response to questions put to him by, as it was, the leader of this caucus.

1400

But it comes as no surprise because here's a government that's walked away from education. It doesn't feel any responsibility any more to educate our youngsters. Here's a government that walks away from health care. It doesn't feel any responsibility any more to ensure adequate and universal and decent health care for Ontarians. Here's a government that has walked away from the security of our families and our homes when it abandons policing and its responsibility to provide adequate levels of funding for policing, and now it throws consumers to be victims to the predators that exist out there in the commercial market.

Look, is that to suggest that all of the operators are unscrupulous or unethical or dishonest? Of course not. But you see, locks are for honest people only. The fact is that we understand that not all of the operators in these various fields are going to fail to comply, but we also understand that the reason this regime was established in the first place was to protect consumers.

This minister is undoubtedly the most ill-briefed minister in this government, and that's going a long way, the most ill-briefed minister in this government. There are others who come close, and I don't want to name names, but the most ill-briefed minister in this government.

Look what's he had to say on the issues of his largesse with regard to serving alcohol to the point of 2 am and on golf courses, people in golf carts to boot, and he suggests somehow that the Addiction Research Foundation and other expertise would support him. He didn't know what he was talking about and he acknowledged it.

He's talking here about giving carte blanche to car dealers, to real estate agents and brokers, to travel agents and to cemeteries. Surely he's been around long enough to see the thousands of tourists that are stranded every year as a result of travel agents that don't adequately treat those moneys that are given to them in trust. Surely he's familiar with the inadequacy of OMVAP, which is exactly the sort of what he's talking about now, self-regulated plans to try to protect purchasers of motor vehicles.

The home ownership warranty program: again, self-controlled but totally ineffective and he knows it. He ought to know better than to impose this. This is an abdication of the responsibility of that ministry. There's more coming down. I tell you, we will soon hear an

announcement about the merger of the Ontario gaming commission and the Liquor Licence Board of Ontario as this government and this ministry abandons its responsibility for regulating the sale and distribution and serving of liquor and other spirits here in the province of Ontario. We will soon, I tell you as well, see an announcement regarding the Ontario Racing Commission. It will be an announcement to the effect that it too will become a self-regulated industry. These are the sort of plans that are in preparation right now in this minister's office.

He may well not be aware of them and I suspect that he isn't, but when he's handed the script, when he's handed the Coles' notes, he'll make those announcements none the less.

This government simply doesn't understand that purchasing a motor vehicle, purchasing real estate, for most working people in this province, the few that are left, is the largest investment — it is a life-time investment for them. They deserve and need the protection that a Ministry of Consumer and Commercial Relations would provide.

They surely can't be left to the largesse of the private sector and the industry. This government's geesing off, paying off, greasing its friends in the private sector, who paid for them to get elected here in the province of Ontario, as they abandon and abdicate every public institution that our parents and theirs before them worked so hard and struggled so hard to build.

The minister may treat somewhat facetiously the regulation of stuffed objects. He should be more concerned than he appears because the stuffed shirts over here on the government benches have abandoned their responsibility —

**The Speaker (Hon Allan K. McLean):** Time for responses has expired.

#### ACCESS TO LEGISLATIVE BUILDING

**Mr Dominic Agostino (Hamilton East):** On a point of order, Mr Speaker: A question to you, you being in charge of the man responsible for the building. This morning there were a number of people who tried to have access to the gallery who were in wheelchairs. As a result of limited space and limited access, many dozens of individuals in wheelchairs could not be in the gallery to see the proceedings on a bill or on a resolution by the member for London Centre on the Ontarians with Disabilities Act. Also, a number of people needed sign-language interpreting, and as a result of services not being provided, had those individuals not brought their own interpreters, they would not have been able to have access to the proceedings in the House.

I would like to ask you, as Speaker responsible for this building and for accessibility to this building, if you can investigate what can be done to improve the situation in here, to ensure that we have adequate spaces for people in wheelchairs and that we have adequate services available for sign language and others that disabled individuals would require to access this building.

**The Speaker:** The member has made his point.

**Mrs Marion Boyd (London Centre):** Mr Speaker, on the same point of order: I've had occasion to write to you



in the past around the issues of accessibility in this building and some of the concerns around safety in this building when the building has been evacuated and so on. It became very clear to us, with very few visitors actually; only about 200 of the visitors who wanted to be here could actually come to the building and our inability to deal with that number of citizens who have special problems became very clear. I would join the member for Hamilton East in asking that you involve the members of this assembly in trying to come up with the kinds of solutions we need to come up with to be sure we are accessible to our constituents.

**The Speaker:** I appreciate very much the members bringing that to my attention. We understand the problem we're having at the north end of the building, but my aim is to have a new ramp put in the main entrance of the building and that is what I would like to see happen.

## ORAL QUESTIONS

### EDUCATION FINANCING

**Mrs Lyn McLeod (Leader of the Opposition):** My first question is for the Minister of Education. Minister, during the election, you and the Premier made a very firm commitment that there would be no cuts to classroom education. Yesterday, the Board of Education for the City of York announced that 99 classroom teachers have received their layoff notices. These teachers are being laid off as a direct result of your cutbacks. I ask you why you are breaking your commitment to the people in the city of York and elsewhere in Ontario. Why are you breaking your promise to protect classroom education?

**Hon John Snobelen (Minister of Education and Training):** I believe if the Leader of the Opposition examines that particular board and its funding for this year, she'll find there have been a considerable number of changes to the funding, most of them predicated on the social contract and predicated on enrolment numbers, so I think it would be erroneous to attribute that to the measures of this government. We are diligent in making sure our cuts do not have to affect the classroom, and we expect cooperation with our partners in delivering education across the province in reaching that goal.

**Mrs McLeod:** The minister is missing the most obvious, and that is the fact that many of the layoffs of classroom teachers in the city of York can be attributed directly to your cuts to adult education, one of the so-called tools you have given boards of education across this province to use to find the means of making up your \$1 billion in cuts.

I think even you would have to agree, if you look at adult education in Ontario, that it's been a success story. Some 83% of adult students in our high schools go on to either get further education or they go and get a job, and it is a fact that in the city of York there is the highest percentage of adults enrolled in daytime classes in Metropolitan Toronto. That's why they're laying off 99 teachers, because you have gutted adult education, the very kind of education that is needed by people who need more training if they want to get a good job. I ask you

why you are slashing funding for adult education in the city of York and in every community across this province.

**Hon Mr Snobelen:** First of all, I suspect that if the Leader of the Opposition were to check with people across this province — I have done that over the last 10 months — and ask them if they think the province's responsibility to adults is identical to its responsibility to adolescents, the Leader of the Opposition might find that people can discern a difference between those two groups. Perhaps she has some difficulty with that, but I can assure you most people in the province don't. They understand the fact that we can deliver education and schooling to adults in a much different format than we do for adolescents and that the responsibility of the province is much different with adults than it is with adolescents.

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But I do note that accreditation and educational experiences for adults are important. It's important to the province and important to those people realizing their life ambitions, and that's why — and I'm glad that the Leader of the Opposition would raise this question today — I was so proud this morning to make an announcement about the GED, the general education development, because we are expanding that program so that adults can access a methodology of having a high school equivalency accreditation for their prior learning. I think that's important and I'm glad that Ontario has finally joined the other nine provinces and the 50 states and are providing this for adults across the province of Ontario. I'm proud of that.

**Mrs McLeod:** Minister, some 80,000 adults were already receiving education in high schools across this province and 83% of the people who were back at school getting the education they needed were going on to further education and getting jobs. They didn't need your alternative program. They needed the adult education that our boards are currently able to provide and won't be able to provide because you have gutted the funding for adult education programs in every community.

Minister, you presented Bill 34 where you give boards this tool to make the cuts that you need for your tax cut. When you presented Bill 34, and I quote you exactly, you said that you were going to "give boards permission," you were going to make changes that would permit boards to redirect adult students out of the daytime classrooms that they were in. Minister, there was no permission involved in this at all. You cut the boards' funding for adult students by more than two thirds. That's like saying that you gave Metropolitan Toronto and Ottawa permission to write you a cheque. The boards have no choice. Your funding cuts have meant they have to gut adult education.

Minister, you are redefining classroom education and making it narrower and narrower to try and pretend that you're keeping your promise to protect classroom education. Do you not think when you cut junior kindergarten funding and when you cut adult education funding that you have in fact cut classroom education? Or when you talk about a difference with adult students, do you not think adult students even belong in classroom education?

**Hon Mr Snobelen:** I am quite delighted with the opportunity to engage in this question today, because I



believe that adult education is important. I think that this morning's announcement on the GED program emphasizes the fact that we believe it's important.

However, there are two fundamental issues here and one of those is that the Leader of the Opposition seems not to be able to discern the difference between adolescent students and adult students. I believe that most people across this province can see that the province has a different responsibility to adolescents, and should have a different responsibility in terms of making sure they're safe during the school day, and that's a different cost factor and a different delivery system; also that class sizes might be different. This is remarkable, that class sizes might be different for adults than they are for adolescents and we might offer those programs at a different time of the day. That will not be astounding news to most of the people of Ontario, but it astounds the Leader of the Opposition.

### HOSPITAL RESTRUCTURING

**Mrs Lyn McLeod (Leader of the Opposition):** My second question is to the Minister of Health. Minister, your restructuring commission, the commission that you've set up to make decisions about closing hospitals in our communities, is now under way and, as I'm sure you're aware, it's starting in Thunder Bay. The fact is that nobody knows who's going to be next. I know that all of Metropolitan Toronto, where the health council has recommended closing 12 hospitals and shutting down over 1,500 beds, is wondering when Toronto's turn is going to be. And we know that the adviser to your restructuring commission has said that Toronto is certainly near the top of the list.

You are aware, Minister, that in the meantime while people wait to know whether you're sending your commission in, people are working to come up with what they believe are better solutions, ways of protecting the health care they believe they need in their own community.

You have tried to wash your hands of all responsibility for closing hospitals. You want the commission to do the dirty work for you. But I want you to know that nobody believes that anyone but the minister is responsible ultimately for decisions about shutting down community hospitals. You do hold the responsibility.

I want to ask you, Minister, whether you will at least guarantee that time is going to be taken to fully study the proposals that community groups and hospitals are putting forward. Will you make that a clear and absolute guideline for your commission?

**Hon Jim Wilson (Minister of Health):** The commission does operate at arm's length, with respect to its day-to-day decisions, from the Minister of Health, although in Bill 26 it's clear that the commission is responsible to all members of Parliament through the Minister of Health. That's its accountability.

The commission informed me at the same time it informed the public that it was looking at the Thunder Bay study and going to work with the people of Thunder Bay to implement their study. A lot of time has lapsed. A major study was completed some two years ago, and yet restructuring has not occurred. The commission

expressed publicly its opinion that enough time had passed and it was time to get on with restructuring in Thunder Bay in a serious way.

**Mrs McLeod:** I draw to the minister's attention that I was not raising with him the issue of the commission coming into Thunder Bay. I'm raising with him the issue of the guidelines under which his commission will operate not only in Thunder Bay but in other communities, including Toronto, where there is some concern about the closure of multiple numbers of hospitals, and in Sudbury and in Ottawa and in Hamilton — you name it. People are concerned about the way in which this commission is going to operate.

Minister, I say again that you, as minister, hold the responsibility ultimately for decisions that are being made about closing a community hospital. You have attempted in Bill 26 to give this commission total independence. You like to say that it's going to operate at arm's length. In fact, you've tried to give them the independence to make those decisions for you and you seem to have given them the freedom to make those decisions behind closed doors.

The commission has laid out very clearly what it will and will not do. They have indicated very clearly that they will not hold open hearings or otherwise promote opportunities for theatrics and delay. They are going to make decisions about community hospital closings behind closed doors. Because of Bill 26, communities and hospitals will be given only 30 days' notice of any decisions that have been made to shut them down.

Minister, these are the kinds of decisions that are going to affect health care in our communities for generations to come. Decisions, once made, are undoable. I ask you how you can permit this behind-closed-doors, hurry-up-and-get-it-done kind of approach, how you can justify sacrificing at least taking the time to hear from people concerned about health care in their community because you're in such a hurry to make the savings to go with your cuts to hospital budgets.

**Hon Mr Wilson:** I was just trying to find here, while the honourable member was asking her supplementary question, the terms of reference for the commission. I don't have it available today. I'd be happy to provide another copy to the Leader of the Opposition, given that it's been a public process to date. The Health Services Restructuring Commission is a public commission with public members. I do not believe there will be any significant surprises, given that they are acting on studies that are developed by local district health councils, so I reject the assertion here that the commission will be making its decisions behind closed doors.

**Mrs McLeod:** It's a difficult assertion to deny when the commission itself has made it clear both in its written statements and in its entry into the Thunder Bay community that it is not going to hold any public meetings, that any submissions to be made will have to be made privately and that it believes in fact that consultations have been done. It is a closed-door process, Minister. The only thing the public is aware of is that the process is going on and that they can make a written submission.

The other guideline that the commission has set out, as I'm sure you're aware, is that it will not redo, and I'm



quoting, "credible work done by district health councils and the Ministry of Health." Minister, let me make it clear I agree that the commission should not redo credible work. But, Minister, I know you would agree that not all the district health council work has been well received and there are a great many people who don't believe the work of the district health council is the result of full and fair consultation.

I think, Minister, you would also have to agree that the commission's approach, which is to go in and do things behind closed doors and do it quickly, is an approach that ignores the fact that many boards and staff of hospitals and people in communities are working hard to come up with alternate solutions to what the health council has presented.

I'll give you quickly an example: Women's College Hospital is looking at measures and alternatives to preserve the unique role of their hospital; Wellesley Hospital and Toronto General Hospital are embarking on a merger to save costs but retain services, and yet they're slated for closure under the district health council report; Northwestern General Hospital and Humber Memorial Hospital have begun negotiations to merge —

**The Speaker (Hon Allan K. McLean):** Put your question, please.

**Mrs McLeod:** — and yet one of those hospitals is slated to close. I'm asking you, Minister, whether your commission will be willing to look at these specific alternatives being put forward now, alternatives to district health council reports. Will they be willing to look at credible work that tells a different tale than the work that's been done by the district health council?

**Hon Mr Wilson:** The commission, as part of its mandate, is to provide and to search for the best available and up-to-date data. That's something the commission itself asked for in its terms of reference. With respect to public consultation, I recall an ad in your local papers and media a week or so ago, the day they announced they were asking for submissions, the day the commission announced it was looking at Thunder Bay, and so they are trying to receive input. That's a process the commission set up at arm's length to me.

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I will say one thing about all this, and that is that I recently, at the federal-provincial-territorial ministers of health meeting, had the opportunity to speak with the Minister of Health from the province of Quebec, for example. They did not take the time there to set up a commission, to have experts deal with other experts and try and come up with community solutions and the restructuring. They simply announced, after the last election, the closure of 10 hospitals in the city of Montreal alone. We have a much better system set up that will take the politics out of restructuring and allow the experts to make the decisions which will be good for health care and help us sustain and make the health care system affordable for many more years in the future.

#### MINISTRY OF NATURAL RESOURCES

**Mr Bud Wildman (Algoma):** I have a question of significant importance to the natural resources manage-

ment in the province, and it goes to the Minister of Natural Resources regarding the notices that have been given out today. I have a list of the notices. Over 900 OPSEU members have received pink slips today — that's keeping in mind that there are also members of AMAPCEO and management staff who will be affected by these announcements — 900 across the province receiving pink slips. This is having a devastating effect on the protection of Ontario's natural resources and a devastating impact on communities across Ontario, particularly in northern Ontario.

Perhaps the minister could let us know, after he finishes laying off conservation officers — even though he promised that wouldn't happen — after he finishes laying off foresters, biologists, fisheries technicians — the guardians of our natural resources — who will manage and protect the natural resources on behalf of the people of Ontario.

**Hon Chris Hodgson (Minister of Natural Resources, Northern Development and Mines):** I'd like to thank the leader of the third party for the question. Today's a particularly dramatic day for the Ministry of Natural Resources. A number of layoff notices have been issued to staff, over 900, and our staff is dealing with this in as professional a way as possible. There's been training available. It will be hard on the people who are notified today.

We announced that government would become smaller and more efficient. On November 29, we announced the total reductions that the government as a whole would try to find. On April 11, the Chair of Management Board outlined the reductions. We outlined the aggregate number with respect to the Ministry of Natural Resources.

The leader of the third party's question is well taken. How will the natural resources in Ontario be protected? I can assure you that there are business plans in place to make sure the Ministry of Natural Resources focuses on its core responsibilities: protecting the sustainability of our ecosystems and our crown land management. We have business plans as well for fire protection, parks and geographic information systems.

I can assure you that this has been carefully thought out. There are new ways of delivering and meeting the standards. Others may have to do more, and that's clearly been the trend in the Ministry of Natural Resources for a couple of decades now.

**Mr Wildman:** This is a senseless gutting of the Ministry of Natural Resources. It's going to have a devastating impact on our natural resources and on the environment of this province. It's going to have devastating impacts on lives and communities and families across Ontario. That's going to be the legacy of your being the Minister of Natural Resources.

We have a list here of over 90 communities across Ontario that are being affected by these announcements: 27 OPSEU members in Temagami, out of a total population of less than 1,000; 22 in Cochrane, out of a population of a little more than 4,000; in Toronto there are 35, out of a population of more than two million. In Sault Ste Marie, 67 people will be out of work thanks to this minister. In Thunder Bay, 42 people will no longer have



jobs thanks to this minister. These are some examples of what's happening in 90 communities across Ontario.

**The Speaker (Hon Allan K. McLean):** Put your question, please.

**Mr Wildman:** These job cuts are going to cripple the local economies of over 90 communities across the province, particularly in northern Ontario. They're going to affect local businesses; they're going to affect the economy of the whole community.

What is this government going to do to assist the communities that are being devastated by your announcements and layoffs today so that these communities will continue to be able to survive and we won't see an enormous spinoff effect of these layoffs in the private sector that will hurt the communities completely?

**Hon Mr Hodgson:** These are challenging times. We are going to have a smaller government service. But I want to point out to the leader of the third party that the Ministry of Natural Resources has never staffed on proportional population; we staff on the function.

As I explained in my previous answer, the function of the Ministry of Natural Resources is going to be limited to providing core services, and some of those other services that have been traditionally supplied by the ministry will be provided by the private sector. He fully knows, as the former Minister of Natural Resources, under the Bob Carman exercise, there was a transition from the crown providing all the services to the industry, which makes a profit off the forest, to putting more money back into it and providing some of those services. So when he says these communities will be devastated, I don't think so.

On the economic development side — that's my other ministry — we'll be monitoring this, but there will be job creation in the private sector to provide a lot of these services that previously were provided solely by the government.

**Mr Wildman:** Maybe he can tell the people of Blind River, with a population of a little over 3,000, where 15 OPSEU members are losing their jobs, plus management people, maybe he can tell that community that he doesn't think it's going to be devastating.

In response to the minister's reaction that he's allowing companies to self-regulate in forest management, reforestation, wildlife and environmental protection, let's be frank: The reason these layoffs are occurring today is so that this government can finance a tax cut that is going to benefit the rich, and in order to finance this tax cut, you're having devastating effects on our resources.

The question is, is the tax cut that's going to benefit a few very well-to-do people in this province more important than the proper management of our resources? Is it more important than our environment? Is it more important than fish and wildlife? Is it more important than the economic futures of many small communities across this province, particularly in northern Ontario?

**Hon Mr Hodgson:** It's never easy when you have to downsize. The leader of the third party recognizes this full well. He was a previous minister who went through cost reductions, yet they still ran up a deficit of \$9 billion a year and a total debt of \$100 billion.

We've tried to deal with this in a rational way. There's been a lot of work. It's not easy, but we think that by focusing on what we should be doing as a ministry we can preserve and conserve and enhance our natural resources.

## RENT REGULATION

**Mr Tony Silipo (Dovercourt):** In the absence of the Minister of Municipal Affairs and Housing, my question is to the Deputy Premier. Minister, you will recall that when we in the NDP were the government, we passed the Rent Control Act, an act that gave tenants some economic security by preventing rents from going through the roof.

We've seen recently the Liberal Party, which voted, as you recall, against the Rent Control Act, now coming on board, finally seeing the wisdom of supporting rent controls. It may have something to do with the fact that there's a by-election going on in York South, but for whatever reason, they seem to have come on board and understood the importance of protecting tenants.

1430

What I want to ask you, Minister, is, will you join them and listen to what some three-and-a-half-million tenants across the province have been saying to your government, which is that we need to continue to keep the rent control system that's there now, that's working, and not water it down, but protect it so that it can protect the rights that tenants have as a result of the legislation that we passed as a government?

**Hon Ernie L. Eves (Deputy Premier, Minister of Finance and Government House Leader):** I understand that the Minister of Municipal Affairs has been consulting extensively with both tenants and landlords with respect to introducing a new tenant protection package, and we expect that will be forthcoming in the fall session of the Legislature.

But I would say to the honourable member, the current system is not working. It is not working for tenants —

**Mr Mike Colle (Oakwood):** That is not what the tenants say.

**Hon Mr Eves:** That is what the tenants say. It is not working for the tenants and it is not working for the landlords in the province of Ontario.

**Mr Silipo:** The minister may be consulting with tenants, but he's not listening to them, because tenants have been saying to him as recently as in a letter from the East York Tenants' Alliance of May 13, 1996, which reiterates that this same point has been made by many other organizations throughout the province, which is that the position of this organization and many others is, keep your hands off tenants' rights and rent control, and saying that the present system, while there may be some minor flaws, is working to protect tenants. That's what they're saying and that's what they have been saying all along.

Let me remind you again, Minister, what it was like before the Rent Control Act was passed. We saw at the time increases in rents of 20%, 30%, 40%, sometimes 100%. That was before we introduced the Rent Control Act and that was under the legislation that had been previously passed by the Liberal government. As I said earlier, it seems that now the Liberals have come on



board, have realized that in fact the provisions of the Rent Control Act are sound and need to be maintained because they provide good, strong protection for tenants.

What we want to ask you again, Minister, is, will you ensure that your colleague the Minister of Municipal Affairs commits to keep the tight cap on rents in the Rent Control Act so that there will be no double-digit rent increases, whether it's in York South, in Dovercourt or anywhere else in the province of Ontario?

**Hon Mr Eves:** The very same East York alliance that the member is talking about, I am told by the member for Don Mills, has also written letters, as I'm sure he will know, and complained about the lack of maintenance under the current system with respect to buildings. Tenants are complaining about poorly maintained buildings, unsafe buildings. You will also know tenants don't have much of a choice as to where to locate, particularly in the Metropolitan Toronto area. The vacancy rate is 0.8%. It is falling. Nobody's investing in building new apartment buildings in the province of Ontario, particularly in the city of Metropolitan Toronto.

We are consulting with both groups, I can assure the member, tenants and landlords, and we will come up with a system that is fair and equitable to both parties.

**Mr Silipo:** Let me tell the minister what in fact the East York Tenants' Alliance has said specifically on the issue of maintenance. They say: "The only time we mentioned maintenance was when we demonstrated by factual data that our landlord had made \$1 million in profit but still had to be forced via legal interventions to do the necessary repairs on the building. The abolition of rent control would only make this type of situation worse." That's what they have been saying to the Minister of Municipal Affairs, and he just hasn't been listening.

Let me point out to the Deputy Premier another aspect of what his colleague is contemplating as they're looking at gutting rent controls.

Your officials have told tenant groups that rent control won't apply to a unit once a tenant moves out. They call it vacancy decontrol. What it means is that landlords can jack up the rent as much as they want once a tenant moves out.

Minister, since you won't commit to maintaining the structure as it is, will you at least on that point commit that you will not gut the Rent Control Act to the point that it will allow landlords, without controls and without limits, to increase rents once tenants move out of the buildings? Will you do at least that much?

**Hon Mr Eves:** Through you to the honourable member, he will have to wait and see what the Minister of Municipal Affairs comes up with. But I can assure you that having consulted with both groups, it will be fair and equitable.

I would like to say to the honourable member, during the period of time that his government was in power, there were several buildings in Metro Toronto that had rent increases of 33.7%, 34.31%. Is that the kind of protection you want for tenants in Ontario?

At the end of the day we will come forward with a far more fair and equitable system than we have today. It will protect tenants from unfair rent increases and arbitrary evictions — I will make that commitment to the

member right now — and it will improve maintenance on those buildings. There will be tough standards set so that when landlords don't take care of their buildings, that will be enforced. It will produce a climate where people will invest in the real estate market, it will create more rental accommodation, particularly in the city of Toronto, it will streamline administration and cut red tape.

## GASOLINE PRICES

**Mr James J. Bradley (St Catharines):** I have a question for the Minister of Consumer and Commercial Relations, if there is a ministry left.

On several occasions in this House my colleagues and I in the Liberal caucus have directed questions to various ministers in the government about the issue of rising gas prices and the gouging of consumers, and all we have received are dodges and projections of somebody else and the defence of oil companies in this province. In fact, I think the Minister of Economic Development, Trade and Tourism said that Ontario motorists enjoy the most competitive gasoline prices in the world and that overall Ontario is well served. Yet, since the early part of this year, gasoline prices in this province have risen by some 17%.

As an individual who was vociferous in opposition about this and demanding of provincial ministers that they take appropriate action to ensure we have fair gas prices in this province, did you follow the suggestion of my colleague the member for Renfrew North and call the major oil executives who control gas prices in this province and express to them your stern opposition to the price-fixing and gouging they're engaging in now?

**Hon Norman W. Sterling (Minister of Consumer and Commercial Relations):** Yes.

**Mr Bradley:** He did call, and we expect that he will tell us what they said, but the fact that he didn't tell us is a clear indication that the news was not good.

South of the border, the Newt Gingrich Republicans, whom your government looked to for ideas and leadership, have decided to blame gas taxes —

*Interjection.*

**Mr Bradley:** I hear an interjection, another cheap shot from the cheap shot artist from Burlington South. Why don't you go and buy a television set for your kids now?

South of the border, the Republicans have decided they're going to blame gas taxes and defend the oil companies in the United States.

The only increases we have seen in this province, 17%, have been a result of the determination of the big oil companies to gouge the motoring public and send profits skyrocketing.

Minister, are you prepared now to stand up for consumers of this province and stand up to the major oil companies? Are you prepared to tell oil company executives, and did you tell them, to stop gouging consumers in this province and restore fairness to their pricing policy in Ontario?

**Hon Mr Sterling:** Yesterday, when questioned on this matter, I mentioned that the taxation issue is a significant part of our gasoline price. As a matter of fact, it's 50% of the total price.



I think it's interesting also to note that the provincial tax is 14.7 cents per litre, whereas the federal tax depends on the price paid by the consumer. As the price goes up, our federal Liberal government profits and gets more money into its tax revenue. Maybe that's why our federal government isn't so concerned about this, because they're getting more money into their treasury.

1440

In 1988, the former government increased taxes on gasoline by one cent a litre on all grades. In 1989, they introduced a gas guzzler tax which ranged from \$600 to \$3,500 on the sale of cars. In 1989, the Liberal government raised the gas tax by two cents a litre over what they had already done. In 1990, our friend Mr Colle proposed a \$53-a-month green fee on every car in Metro Toronto. In 1991, the NDP government increased the gas guzzler tax by \$45 million. In 1991, the NDP government increased the gas tax by 3.4 cents a litre.

**The Speaker (Hon Allan K. McLean):** Order. The question has been answered.

#### ACCESSIBILITY FOR THE DISABLED

**Mrs Marion Boyd (London Centre):** My question is for the Minister of Citizenship, Culture and Recreation. Madam Minister, in the Common Sense Revolution, your election document, your government promised that aid for seniors and the disabled would not be cut, and yet despite that promise, over the last few months we've watched your government strip away many of the gains the disabled community and previous governments had worked hard to achieve.

On May 24, 1995, your Premier promised, first, that he would see that an Ontarians with Disabilities Act was enacted within the first term of your office; second, that he would work with the Ontarians with Disabilities Act Committee to achieve that. Since the election, the Premier has refused to meet with the Ontarians with Disabilities Act Committee and has referred them to you. To this point, you have not had the decency to meet with them or to discuss this matter or to make a commitment.

This morning, the few members of your caucus who were present passed a resolution endorsing that the government follow the promise of the Premier. My question for you, Madam Minister, is, first, will you also stand up today and endorse the resolution that your government keep its promise to bring forward an Ontarians with Disabilities Act within this term, and second, will you commit to meet with the committee that has been formed from a coalition of many, many different groups, and has been working on this issue for some time, within the next month?

**Hon Marilyn Mushinski (Minister of Citizenship, Culture and Recreation):** I have said before and I'm going to say it again and I'm going to repeat it today that this government is absolutely committed to the interests and dignity of persons with disabilities, and we are particularly sensitive to the challenges they face both in the workplace and wider society. Let me tell you some of the things we have done.

We introduced an equal opportunity plan that spoke specifically to including a component on disability and

the workplace. Included in that disability component is assistance for employers and employees with respect to barrier removal for persons with disabilities.

We are going to enhance the access fund to provide access and job accommodation opportunities for persons with disabilities.

We have established a pilot project that will test consumer-focused approaches to job accommodation programs.

We are developing a new community-based approach to support the dignity and interests of vulnerable persons and have dedicated \$3 million to that program.

We are also reforming the Ontario Human Rights Commission and Ontario Human Rights Code to enable full opportunity for access to that code for people with disabilities.

**Mrs Boyd:** The member for Nepean already read that list into the record this morning, but thank you for repeating it. I guess you didn't feel you had time to commit yourself to endorsing the resolution this morning and working with the committee to accomplish it. The people who have disabilities in this province are finding it hard to buy your commitment to barrier removal.

We had another example yesterday in this building, when this government refused to ensure barrier reduction services. Prior to the election, the Premier said, "A Harris government would work to ensure that all new intercity buses purchased in Ontario are fully accessible." That was his promise, and remember, this is a Premier who says if he breaks his promise, he'll resign. Yet yesterday, at the standing committee on resources development, your government colleagues voted down a proposed amendment presented by the Transportation Action Now group that would eliminate obstacles to ensure the accessibility of intercity buses. The actions of your caucus last night broke your government's promise to the disabled community. We want your assurance today that you will commit to include those amendments in Bill 39 to keep the government's promise to ensure accessibility to intercity buses.

**Hon Ms Mushinski:** I find this interesting coming from the member who for a year sat on an Ontario disabilities act, did nothing about it and allowed it to die on the order paper. But having said that, let me tell you that fully accessible transit services continue to remain —

*Interjections.*

**The Speaker (Hon Allan K. McLean):** Order. I can't hear the minister.

**Hon Ms Mushinski:** Let me tell you that fully accessible transit services remain a long-term goal of this government. We are committed to working cooperatively with the transit industry —

*Interjections.*

**The Speaker:** Order. I'm having a problem hearing.

**Hon Ms Mushinski:** — in providing effective and efficient transportation services that will meet the needs of all citizens in Ontario.

Let me also say that Bill 39 is interim legislation which all parties agreed to pass quickly to maintain a regulated environment in the intercity busing industry until full deregulation occurs, scheduled for 1998. This government will be willing to enact such legislation at the



appropriate time after full consultation with other disabled groups and the industry has taken place, just as we did with repealing the Advocacy Act.

### WORKFARE

**Mr Rob Sampson (Mississauga West):** My question is to the Minister of Community and Social Services. The people in my riding, and all Mississaugans in the area and people across the province, are interested in the introduction of workfare. As you may recall, the region of Peel recently passed a motion with respect to a workfare initiative that it's quite anxious to get going. Can you tell the House when you'll be introducing work for welfare?

**Hon David H. Tsubouchi (Minister of Community and Social Services):** First of all, we will be introducing workfare in mid-June. Secondly, I think it's terrific that so many communities and municipalities across the province are indicating a lot of enthusiasm for the program. Certainly Peel has shown a lot of leadership in indicating its enthusiasm to participate in a program that's going to get people back to work, get people off welfare and help them break the cycle of dependency into self-sufficiency.

Perhaps I could just indicate as well a quote from the Belleville social services director. Mr Eric Frye, from Hastings county, says: "Hastings county is eager and people want to be part of the program. I don't think we'll need to twist anybody's arm. People will line up."

This will be phased in. We'll start with able-bodied people — 15 communities across the province. It will be mandatory, and the exceptions to this of course, as you know, will be people with disabilities, seniors and single parents with young children.

1450

**Mr Sampson:** Workfare has received a lot of attention recently in the press. I was wondering — because sometimes what I read in the press I find is not exactly the truth — whether you could tell me about the government initiatives in workfare. I understand there are some myths about this program. For example, some critics claim this will actually displace people who have fully paying jobs now. Can you address that in your reply to me as well.

**Hon Mr Tsubouchi:** First of all, I just want to indicate the motivation. The reason we're embarking upon fundamental reform of the system is that the status quo didn't work. The past experiences of prior governments of throwing money at the problem certainly didn't work, and that was an indication of \$40 billion over the last 10 years. Certainly that's not the solution.

I want to advise the honourable member specifically that there are a couple of things that workfare will be and will not be. It will not be make-work projects. The intention is to have programs and projects that will improve the community. Secondly, it will not displace people with paid jobs. That's a very important principle.

If I could characterize this better, not in my own words, but I'll use the words of my friend from Hamilton East, on April 18, 1994 —

*Interjections.*

**Hon Mr Tsubouchi:** I understand the opposition has an opportunity to heckle, but don't they have to be in their own seats to do this?

Anyway, to quote, "One of the things I like about it often is you hear people saying, the people who receive welfare should be made to work for their assistance."

*Interjections.*

**Hon Mr Tsubouchi:** I can't even hear myself speak, Mr Speaker.

"Here we have a program that does just that. The recipient picks up the job experience and knowledge, and the senior or disabled receive a benefit as well." That's speaking about a program similar to workfare.

He indicated on May 20, 1994 — this is even better — in the Hamilton Spectator, that welfare recipients work for the city or region for 16 weeks, where, Mr Agostino said, they pick up the job skills and much-needed work experience that they can use on a résumé.

**The Speaker (Hon Allan K. McLean):** New question, the member for Hamilton East.

**Mr Dominic Agostino (Hamilton East):** I can discuss that with the Minister of Community and Social Services at a later time. It was Helping Hands, a program in Hamilton that was voluntary, not mandatory.

### ACCESSIBILITY FOR THE DISABLED

**Mr Dominic Agostino (Hamilton East):** My question is to the Minister of Citizenship, Culture and Recreation. To go back to the point made by the member for London Centre earlier, this morning hundreds of disabled individuals from across Ontario came to the Legislature looking for some hope, for some leadership and some direction from your government. They came here looking for a commitment that your Premier made when he went out during the election campaign and promised to the community that he would enact legislation, that he would enact the Ontarians with Disabilities Act.

I'm astonished at your response to the member for London Centre. You did not answer the question. You have refused to meet with the organization; your Premier has refused to meet with the organization; you refuse to outline a timetable.

A very simple question, Minister — and I don't want to hear what you've done in the past; I want to know what you're going to do in the future: Will you meet with this organization? When will you bring in the legislation your Premier promised during the election campaign?

**Hon Marilyn Mushinski (Minister of Citizenship, Culture and Recreation):** I think I need to remind the member what was said during the election campaign that he referred to. I'm quoting from the ARCH, or Advocacy Resource Centre for the Handicapped, May-June survey of the three political parties during last year's election. This is what our party said. It said that "a Harris government would be willing to enact an Ontario with Disabilities Act within the first term of office, within the economic goalposts of the Common Sense Revolution."

Quite clearly, some of the initiatives we have taken that I alluded to in my response to the honourable member for London Centre are addressing those particular issues with respect to disability.



**Mr Agostino:** It's a disgraceful answer from a disgraceful minister. I cannot understand —

*Interjections.*

**The Speaker (Hon Allan K. McLean):** Order. I ask the member if he would reconsider the word "disgraceful."

**Mr Agostino:** The minister sits there, was asked specifically why she refuses to meet with the disabled community, doesn't answer; was asked specifically when she's going to enact the legislation, doesn't answer; and then gives us the garbage that says, "We're going to enact this within the economic goalposts."

What you're saying to the people of Ontario is that these goalposts, as you set them in some part of the field you may have burned down and destroyed already — what you're saying is that the issue of equality, that the issue of equal access, that the issue of education and jobs for the disabled community depends on your economic goalposts. What you're saying is that your priority to give a 30% cut to the rich is more important than ensuring equal access for the disabled in this province. Minister, that is a disgrace.

**The Speaker:** What's your question?

**Mr Agostino:** Minister, without telling me what you've done in the past, can you tell us today why you're refusing to meet with the committee, and can you tell us again a time line when you're going to bring in this legislation and stop playing games with the disabled community across Ontario?

**The Speaker:** The question has been asked.

**Hon Ms Mushinski:** I can assure the honourable member that indeed I have not refused to meet and, at their request, they delayed such a meeting. I will be meeting with them in June and it has already been scheduled.

#### VOCATIONAL REHABILITATION

**Mr Rosario Marchese (Fort York):** My question is to the Minister of Community and Social Services. Your ministry's estimates tabled yesterday contained a line called "Specialized Employment Services and Supports." This program includes employment services for social assistance recipients who have barriers to employment, it includes shelter workshops, vocational rehabilitation, services training, allowances and benefits, and other rehabilitation services for people with disabilities.

Given your stated concern for equality for all people, this particular move surprised us, because it means that you've cut \$12 million away from that particular budget. Minister, are you planning to make vocational rehabilitation services a program of last resort available only to those people with disabilities who receive social assistance?

**Hon David H. Tsubouchi (Minister of Community and Social Services):** In response to the honourable member's question, there have been no recent program changes to the VRS program. The objective of the program of course is to enable a disabled person to become capable of pursuing employment.

An additional fact that perhaps I can pass on to the member as well is that we are looking at a number of program and programming policy changes and we're

discussing these with our advisory committee on the disabled. They are participating very closely with us in formulating our policy in this area. We're trying to direct our resources to their needs specifically.

**Mr Marchese:** This is a \$12-million cut to this particular program that services people with disabilities. It's a huge cut. We had a number of people come here today from Hamilton, from London, from Toronto and all over, and they've told us they suffer substantial disadvantages and exclusion from the mainstream of Ontario society. They now face numerous barriers in fully participating in important activities such as jobs, education at all levels, public transit and the use of goods, services and facilities, and you're telling us that you're helping them out. This is a \$12-million cut. It's a big, big cut to this budget.

Minister, what these people told us today that they want from you is a guarantee that you will not take any steps to restrict eligibility for vocational rehabilitation services in Ontario. Will you give that guarantee to the people who are watching here today?

**Hon Mr Tsubouchi:** There are I guess two issues here. The first one is that I met within the last couple of weeks with my advisory committee on the disabled. I think the honourable member realizes that. We've had some really good discussions in terms of trying to confirm to them specifically for this year that our transfer partners in the development services area will not have any cuts to their budgets at all.

Secondly, we had a further discussion with them to indicate the type of direction we need to take to assist people with disabilities get back to work. Our ministry will be working with them to develop the programs they really do need, and to address their specific needs and requests.

1500

#### RURAL PHYSICIAN SHORTAGE

**Mr Ted Arnott (Wellington):** My question is for the Minister of Health. Last Friday I met with a group of doctors who practise in Wellington. They're very concerned about quite a number of issues, most of all issues which directly affect their patients' care. I raised with them the problem we have in many communities in Wellington and across rural Ontario, that is, a shortage of doctors.

For example, in the village of Drayton, where only a few months ago three doctors served a catchment-area population of about 7,000 people, after next month there will only be one doctor serving some 7,000 people. To put this in some sort of perspective, members should know that in Metro, on average, there is one family doctor for every 836 people. There's also a doctor shortage in Clifford and Mount Forest and many other communities in rural Ontario.

Clearly we need to have a policy which encourages a better distribution of doctors so that people in rural Ontario can access primary health care and rural doctors aren't forced to work 24 hours a day. Can the minister inform the House what he's doing to help ensure a better distribution of doctors in all areas of the province?



**Hon Jim Wilson (Minister of Health):** I appreciate the question from my colleague the member for Wellington. I know that areas in his riding like Mount Forest and Clifford are already designated under the underserved area program. We'll be receiving, I understand, a submission from Drayton in the near future, and I will expedite the ministry's decision, my decision, with respect to access to that program.

In the province over the last number of years, there has been the underserved area program, the specialist retention initiative, locum support, visiting clinic support, the rural Ontario medicine program, a whole host of programs that have provided incentives to physicians, particularly graduating physicians, to go to areas where they're needed.

Unfortunately — and I'm a little thrown off — May 15, yesterday's edition of the Windsor Star, for example, in the editorial, of which the subtitle is "Medical Diagnosis," it says, "Shortage equals opportunity equals job." It's a misunderstanding of how doctors are able to set up practices in this province. The editorial, for example, assumes that doctors will go where the opportunities are. That is not the case. We have a number of overserved areas.

Within four days of graduation, the Minister of Health in this province, by law, hands a billing number to a physician, and they can go and practise wherever they want, regardless of whether the market needs their services or not. As you know, the government has taken and is taking a number of initiatives, including some suggestions that have come forward recently from the Professional Association of Interns and Residents of Ontario. I hope, on behalf of all members in the House, to be making an announcement in the near future with respect to responding to PAIRO's particular recommendations to us.

**Mr Arnott:** I realize this is an extremely complex problem and I wish the minister well in finding a solution. It has not been made any easier by the federal government, which has reduced transfers to Ontario for health care by about \$1 billion while they have denied the provinces the flexibility they need through strict enforcement of the Canada Health Act.

It has been suggested to me that a positive incentive to encourage more doctors to move and practise in rural areas would be to create a more flexible pay structure for doctors while maintaining the overall cap on doctors' compensation for the whole province at \$8.3 billion. As an interim measure, we could institute a reasonable fee threshold for overserved areas while allowing doctors in underserved areas to practise and bill OHIP free from a cap. This might encourage more doctors who are presently in overserved areas to move and practise in the underserved areas in the province. I'd encourage the minister to look at this idea.

Another option the minister has is to introduce temporary moratoriums on issuing billing numbers to doctors in overserved areas in order to encourage doctors to practise where they're needed. Is the minister planning to take this approach?

**Hon Mr Wilson:** Ontario today pays its doctors the best in the country. We spend, on a per capita basis,

18.5% more than the national average in this province. So we're spending enough on medical services in this province, and we now have a health care budget that would be hard to match anywhere in the world with respect to per capita funding.

I think the answer to this lies in many of the suggestions the honourable member for Wellington has put forward. I would tell you, for example, that four other provinces have thresholds. We have thresholds now; they're just so high that it's almost impossible to achieve them, so they are meaningless. The fact of the matter is that the physician action plan I mailed out to all physicians last month talks about thresholds, and even in the worst-case scenario for physicians, only 13% of the physicians in this province would be affected.

We have some extremely high billers in the province, and they're taking away money from communities like yours, Mr Arnott, communities like mine, Alliston and Collingwood, where doctors are needed, where they're making good use of their money, where they are using every penny for patients. Therefore, thresholds would be a way of equalizing some of the payments across the province and wouldn't affect a large number of doctors.

We also have Bill 26, which this government had the courage to bring forward — and I didn't hear a lot of applause from papers like the Windsor Star — where we are prepared, if the voluntary measures don't work and our new incentive packages don't work, to move billing numbers where the customers are so that graduating physicians — and we graduate 700 a year. Very quickly, Mr Speaker, if half of the graduating class this year would go where they're needed, half of 700 would go where they're needed, it would be problem solved. We hope the voluntary measures will solve —

**The Speaker (Hon Allan K. McLean):** The question has been answered. It was one minute and 30 seconds.

#### AUTOMOBILE INSURANCE

**Mr Bruce Crozier (Essex South):** My question is for the Minister of Finance. I believe he's in the area of the House.

**Mr Chris Stockwell (Etobicoke West):** There he is right there. No, but the House leader's there.

**Mr Crozier:** Well, I'll proceed with the question. In answer to a question of mine on May 13, the Premier said, "The member wants to know when the good news can be received by all the people of Ontario, and I will respond that as we are speaking now, the legislation is being drafted." That was with reference to auto insurance. You went out and spread the good news prior to the budget. I wonder if you could surely give this House and the drivers of Ontario some assurance that the legislation that's now being drafted will reduce auto insurance premiums.

**Hon Ernie L. Eves (Deputy Premier, Minister of Finance and Government House Leader):** The honourable member will have to wait until the proposed legislation comes forward. I can assure him, though, that's going to happen. Within a matter of weeks he will see the legislation presented in the House. My colleague Mr Sampson, my parliamentary assistant, has worked very

diligently with respect to the issue of auto insurance and changing the system in the province of Ontario. I can assure the honourable member that any legislation that will come forward as a result of our efforts and consultation with the industry will be a lot better than Bill 164 or any one of the other predecessors on auto insurance in the province of Ontario.

## PETITIONS

### DELLCREST CHILDREN'S CENTRE

**Mr Tony Ruprecht (Parkdale):** This petition is addressed to the assembly of Ontario.

"Whereas the Dellcrest Children's Centre is planning to open a 10-bed open custody residence for troubled children and youth at 182 Dowling Avenue; and

"Whereas the residence is an inappropriate site for the rehabilitation of troubled children and youth because it is within walking distance to illicit drug and prostitution activities; a large number of unsupervised and supervised homes that are home to ex-psychiatric patients, parolees, and our society's most vulnerable and ostracized members; and a number of licensed establishments that have been charged with various liquor infractions; and

"Whereas the Ministry of Correctional Services and the Dellcrest Children's Centre have decided not to hold open discussions with our community prior to the purchase of this house for the purpose of an open custody residence; and

"Whereas the decision to relocate also expresses a total lack of regard towards our community's consistent and well-documented wishes for the Ontario government to stop the creation or relocation of additional social service programs or offices in an area that is already oversaturated with health and social services for disadvantaged, troubled or disenfranchised people;

"We, the undersigned local residents and business owners, urge the Ministry of Correctional Services and the Solicitor General to suspend plans to relocate the open custody residence for troubled youth until a full review of the Dellcrest Children's Centre's decision can be conducted, and explore with us alternative locations which are more appropriate."

I have affixed my signature to this document.

1510

### DRINKING AND DRIVING

**Mr John R. Baird (Nepean):** It's my pleasure to present a petition signed by constituents in Nepean, Ottawa and Kanata.

"To the Legislative Assembly of Ontario:

"Whereas drinking and driving is the largest criminal cause of death and injury in Canada;

"Whereas every 45 minutes in Ontario a driver is involved in an alcohol-related crash;

"Whereas most alcohol-related accidents are caused by repeat offenders;

"Whereas lengthy licence suspensions for impaired driving have been shown to greatly reduce repeat offences;

"Whereas the victims of impaired drivers often pay with their lives while only 22% of convicted impaired drivers go to jail, and even then only for an average of 21 days,

"We, the undersigned, petition the Legislative Assembly of Ontario as follows:

"We urge the provincial government to pass legislation that will strengthen measures against impaired drivers in Ontario."

I have affixed my signature thereto because I'm in agreement.

### NORTH YORK BRANSON HOSPITAL

**Mr Monte Kwinter (Wilson Heights):** I have a petition to the Legislative Assembly of Ontario.

"Whereas the final report of the Metropolitan Toronto District Health Council hospital restructuring committee has recommended that North York Branson Hospital merge with York-Finch Hospital; and

"Whereas this recommendation will remove emergency and inpatient services currently provided by North York Branson Hospital, which will seriously jeopardize medical care and the quality of health for the growing population which the hospital serves, many being elderly people who in numerous cases require treatment for life-threatening medical conditions;

"We petition the Legislative Assembly of Ontario to reject the recommendation contained within the final report of the Metropolitan Toronto District Health Council hospital restructuring committee as it pertains to North York Branson Hospital, so that it retains, at minimum, emergency and inpatient services."

I've affixed my signature.

### ONTARIO HOUSING CORP

**Mr Ron Johnson (Brantford):** It gives me great pleasure to rise to present a petition on behalf of hundreds of constituents in my riding, and the petition reads:

"The government has stated they plan on selling off 84,000 units which are owned by the Ontario Housing Corp. We are in favour of keeping Ontario Housing Corp, which assists people on limited incomes to have decent affordable housing."

It's a pleasure to affix my signature as well.

## REPORTS BY COMMITTEES

### STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Mr Gilchrist from the standing committee on resources development presented the following report and moved its adoption:

Your committee begs to report the following bill without amendment:

Bill 39, An Act to amend the Ontario Highway Transport Board Act and the Public Vehicles Act and to make consequential changes to certain other acts / Projet de loi 39, Loi modifiant la Loi sur la Commission des transports routiers de l'Ontario et la Loi sur les véhicules



de transport en commun et apportent des modifications corrélatives à certaines autres lois.

**The Acting Speaker (Mr Ted Arnott):** Shall Bill 39 be ordered for third reading? Agreed.

## INTRODUCTION OF BILLS

### SAFETY AND CONSUMER STATUTES ADMINISTRATION ACT, 1996

#### LOI DE 1996 SUR L'APPLICATION DE CERTAINES LOIS TRAITANT DE SÉCURITÉ ET DE SERVICES AUX CONSOMMATEURS

Mr Sterling moved first reading of the following bill:

Bill 54, An Act to provide for the delegation of the administration of certain designated statutes to designated administrative authorities and to provide for certain limitation periods in those statutes / *Projet de loi 54, Loi prévoyant la délégation de l'application de certaines lois désignées à des organismes d'application désignés et prévoyant certains délais de prescription dans ces lois.*

**The Acting Speaker (Mr Ted Arnott):** Shall the motion carry? Carried.

Minister, do you have any comments?

**Hon Norman W. Sterling (Minister of Consumer and Commercial Relations):** I am pleased to introduce for first reading the Safety and Consumer Statutes Administration Act. This legislation will cut red tape and provide more effective services to the public. The act would allow the government to delegate to the private sector certain functions currently carried out by the Ministry of Consumer and Commercial Relations. The legislation would make it possible for the ministry to focus more attention on results rather than the delivery mechanisms on technical procedures. I urge all members to support this bill in the interests of safety standards and consumer protection.

## BUSINESS OF THE HOUSE

**Hon Ernie L. Eves (Deputy Premier, Minister of Finance and Government House Leader):** Before proceeding with orders of the day, I'd like to indicate the order of business, not for next week, because we won't be here next week, but for the week after. Pursuant to standing order 55, I wish to indicate the business of the House for the week of May 27, 1996. As members are aware, the Legislature does not sit the week of May 20.

On Monday, May 27, we will begin second reading of Bill 49, An Act to improve the Employment Standards Act. We are going to be having discussions among the House leaders on that particular piece of legislation and others prior to that on the Monday, so that may in part determine how those discussions proceed. However, it is our intention to begin second reading debate on Monday.

Tuesday, May 28, will be an opposition day standing in the name of the leader of the official opposition.

The balance of the week will be forthcoming depending on what we decide at the House leaders' meeting. Sorry.

On Thursday morning, private members' public business, we will consider ballot item number 31, standing in the name of the member for Scarborough East, and ballot item number 32, standing in the name of the member for Parkdale. That will be Thursday, May 30.

**Mr David Christopherson (Hamilton Centre):** On a point of order, Mr Speaker: I want to be sure that Hansard reflects the fact that there was no House leaders' meeting today. In the absence of that, we attempted to have a quick meeting behind your chair regarding —

**The Acting Speaker (Mr Ted Arnott):** That is not a point of order. I would ask you to take your seat. You do not have a point of order.

## ORDERS OF THE DAY

### TAX CUT AND ECONOMIC GROWTH ACT, 1996 LOI DE 1996 SUR LA RÉDUCTION D'IMPÔTS ET LA CROISSANCE ÉCONOMIQUE

Resuming the adjourned debate on the motion for second reading of Bill 47, An Act to cut taxes, to stimulate economic growth and to implement other measures contained in the 1996 Budget / *Projet de loi 47, Loi visant à réduire les impôts, à stimuler la croissance économique et à mettre en oeuvre d'autres mesures mentionnées dans le budget de 1996.*

**Mr Mario Sergio (Yorkview):** I am quite pleased to speak on Bill 47. Although we may call it by any other name, it's the budget itself. Before I give my account or speak on some of the most important points of the budget, let me say that the other day the member for Etobicoke West said that he had no problem, that indeed it was very easy —

**Mr Chris Stockwell (Etobicoke West):** I've got lots of problems.

**Mr Sergio:** I'm pleased to see that the member for Etobicoke West is on the right side of the House, which means he agrees more often with what we have to say on this side than the other side. I'm quite pleased to welcome him.

If it is indeed very easy to sell the budget in Etobicoke West, a riding that has elected a Conservative member, it is because they have to try to sell the imbalance that exists within the document itself. It is a budget that has a fancy cover, a very nice painted house on one side, but really it has no shelving and no goods on the inside.

Before I get to the content of my presentation, let me say what some of the journalists within Metropolitan Toronto have to say with respect to the content of the budget. These are not quotes coming from this side of the House — the Liberal side or the NDP side — they are from people who, I am sure, have no interest other than telling it the way it is.

1520

Let me just quote from the Globe and Mail of May 8, 1996. I won't be quoting everything, because it would take perhaps most of the half-hour which I'm allotted to address this today. Just to mention some of the quotes, it says:

"The specifics are missing and the generalities are numbing....

"What's missing here, and in much of the Ontario Tory agenda, is a clear sense of conviction and determination. The paper" — meaning the budget — "often seems more like an attempt by the government to convince itself that the policies it intends to follow are the right ones. Despite the highly motivated push to cut taxes and balance the budget, the Tories are creating their economic policy as they go along. The principles are there, somewhere, but there is no plan for execution."

With respect to tax hikes and the plebiscite which seems to be on again, off again, but more on than not: "Premier Mike Harris" — the other day — "says he wants legislation to force government to hold referendums on tax hikes in place by fall 1997." The Premier finds this most convenient since he has already done his dirty work in imposing all kinds of tax hikes, if you will, through user fees. Now he's coming back and saying he will want to see a referendum before any tax hike will take place. He does say he's intent on providing that by the fall of 1997. "'I don't plan to ask for any tax increases in '97 but we'd like to have a mechanism in place [by then],' he said yesterday," which meant on May 9. "I think you'll see this in the next period of time." I have to remind the Premier that "During the election, Harris promised to immediately pass a taxpayers' protection act that would compel government to get taxpayer approval for new tax hikes." He promised also that if he couldn't do that, he would resign.

I would like to remind the Premier to stop making comments like this, because he has broken practically every promise he has made during the campaign and in his Common Sense Revolution. Therefore, one of these days, if it's not on this side of the House, the people of Ontario will be calling for his neck if he continues to say, "If I don't deliver, I will be resigning." Politicians are famous for making promises they can't keep. God, please save us from the promises of the Conservative government. So far they have indeed broken every promise practically that they have made.

But there is a beauty here, and this is as recent as May 14, 1996. It says, "There's No Free Lunch In Tax Cut." What does it say?

"Much of the public discussion regarding the effectiveness of the Ontario government's personal income tax reduction centres on the issue of whether or not it will increase consumer confidence. This is not, however, the most central issue."

I have to say, and I think I have to repeat, that this has been said already by previous speakers — the latest one last night by the member for Dovercourt — that the main, the principal issue of the budget, of Bill 47, is the creation of jobs. Without the creation of jobs, without putting people back to work, we cannot see the economy prospering and the government getting money from that economy.

It continues on to say, "The people of Ontario will over the next few years bear the effects of this black magic as the social fabric of this province is severely threatened." Who could disagree with this?

We have seen in the last couple of years four major documents produced by this government, and very soon, on June 8 — I don't know if we should say we're celebrating the first anniversary of this government, but let me tell you that the people of Ontario have nothing to celebrate for the first year of this government. We had, in 1994, the Common Sense Revolution. Then, in September 1995, we had the speech from the throne. In November, we had the now infamous Bill 26 or, as we call it, the fiscal and economic statement. Now, of course, we have the budget.

None of these documents spells out, concentrates on how to get the economy going and create jobs for the people of Ontario. As I will be saying later on, we will see that there are fewer working people or 10,000 more unemployed people from January of this year to now. There are 10,000 more unemployed people since January 1996.

I wonder if the Premier and the members of the government side, through the Common Sense Revolution and the budget and all other documents they have provided and faced the people of Ontario with so far creating 725,000 jobs, can, on a daily basis almost, defend their documents that they will indeed create the 725,000 jobs.

The quotes continue. There is one that says, "The historical commitment to pick up the 75% for transportation repairs and maintenance is gone." Minister Ernie Eves says, "We will give municipalities across Ontario \$60 million to fix Ontario roads." Metro alone needs that amount of money to barely maintain the Metro roads in a healthy condition.

The Globe and Mail of May 8 says that it's no more than "a collection of woolly slogans and mushy generalities." Right on the nose, right on the dot. The Globe and Mail of May 8, 1996, says on the economic policies for jobs and growth, it is "a jigsaw puzzle assemblage of the latest neo-con economic studies" that happened to roll across some minister's desk. You know what? They all tend to agree that as content the budget of May 7 or Bill 47 does exactly that.

This budget, as I said, is nothing more than a paper-doll house all dressed up with nice colours, nice fanciful words, good artwork, but on the inside there is no substance. There is no guarantee that it will stand up to even the most feeble breeze. Like a doll house, this budget is adorned with fancy words, fluffy terms, but the inside is totally empty. It is a budget based on promise and a premise that God must intervene with his unwavering intervention and see that nothing, absolutely nothing, wrong is going to happen for the next four years, even any unforeseen or unexpected, adversely affecting act of God. Otherwise, we are doomed with disaster.

The finance minister, Mr Eves, is right. The success of the budget is based on certain factors and only on those factors; otherwise, it is going to fail. What are exactly those factors? That people will spend more, that the economy will stay healthy and continue to grow and that indeed jobs, a lot of jobs, will be created.

1530

I am very much afraid, and the finance minister and the Premier know that, that they have built their doll-



house, they've planted their budget on quicksand in the eye of a fast-approaching windstorm.

First, Mr Speaker — I'm sorry, Madam Speaker, we are used to calling Mr Speaker, and I hope that you get used to my saying that from time to time.

Madam Speaker, first let me say that —

**Mr John R. Baird (Nepean):** She should not have to get used to that.

**The Acting Speaker (Ms Marilyn Churley):** Order, please.

**Mr Sergio:** She's doing a heck of a job; therefore, I wouldn't mind getting used to Madam Speaker.

On the first notion that people will spend more, let me say, where are they going to get the extra money? Of course, I forgot: the 30% rebate, yes. Let's see that.

Page 32 of the budget says that 91% of all taxpayers will receive a tax cut of 30% or more. Out of this 91%, 64% are the so-called middle-income Ontarians earning between \$25,000 and \$75,000 a year. Let me tell the minister and the Premier how much more money this large group of 64% will really have to spend.

A single person earning \$25,000 a year will receive a tax cut of approximately, believe it or not, \$2.30 per week in 1996; \$4 a week in 1997; and about \$4.90 a week in 1999. This you can hardly call more money to spend.

But even so, let's look at the upper-middle-income group making \$50,000, \$60,000. They would receive a big bargain of about \$8.50 a week or about \$221 yearly. This group now is hit with a health surtax of an extra \$100 a year. So as you can see, the large group of 64% will not have that extra amount of money to spend and get the economy moving. Therefore, the first notion that people will spend more is really not realistic.

With respect to the second notion that the economy will stay strong and it will continue to grow, this comes in the face of some 12,000 job cuts, cuts in health care, cuts in education and cuts to municipalities. If — and I'll call the Minister of Finance Mr If from now on, because I think that is the appropriate term — the economy falters, it will be the scapegoat. The alibi of the finance minister, Mr If, will be off the hook. If the economy falters, he will blame the Liberals in Ottawa or the Democrats in Washington or the European common market or maybe an act of God.

Madam Speaker, as you can see, the Premier and his finance minister have a lot to worry about, especially when they say that their figures are based on conscious and prudent economic projections. But hold on; don't panic; on page 5 it says that these projections include a contingency reserve.

They have a contingency reserve in case of economic difficulties; not to worry. We have indeed a contingency which I have not been able to find anywhere in the budget as presented by the minister.

The only thing that I can say, since they only have about half a line on this supposed contingency fund, I can assume, and I would say it's the most realistic assumption, that they will have to do one or two things or both: (1) They will have to cut more; (2) they will have to borrow more money. As I said, I think the two combined

make more sense because, the way the budget is presented, there is absolutely nothing, in case the economy falters, with respect to a contingency fund.

**Mr Baird:** Six hundred fifty million dollars, Mario.

**Mr Sergio:** Thank you very much for saying that. I'm pleased the member agrees with what I said, because \$600 million in a faltering economy is absolutely a drop in the bucket. When we talk about creating 725,000 jobs and the member on the government side agrees they have stashed away somewhere \$600 million, we will need God's intervention that nothing will happen, hopefully, that we don't have to dig into a contingency amount of \$600 million to protect the faltering economy and the unemployed people in our province.

If this is the safety net, if this is how the government would react to a faltering economy — cut and borrow — the paper house will crumble and the economy will go. The economy will sink because it lacks substance; it doesn't have any solid base. That's why this notion will fail, because it is based on too many ifs.

The third notion is that jobs will be created. Perhaps as if by magic it is going to create jobs, 725,000 of them. It's what the Common Sense Revolution said on page 19, and I want to read this quote to you because I think it's fundamental, "Our commitment is carved in stone." The creation of the Common Sense Revolution, the creation of 725,000 jobs is carved in stone. If this is not a promise, can the government please tell us what it is?

The fact is that in the budget of May 7 we see that this is not the case. We see that the budget that was delivered on May 7 barely, even though they say this is a Conservative prognostic, proposed to create about half of those 725,000 jobs.

What we have seen in the Common Sense Revolution and what we are getting now are a total abortion. It's a total aberration of the truth. This document presented to the people of Ontario on May 7, 1996, with an abominable amount of pomposity admits to deliver solely 287,000 jobs.

**Mr Baird:** Ah.

**Mr Sergio:** I would say to the member on the other side agreeing with what I'm saying that they had better start to put more money in the contingency fund because \$600 million will not create another 400,000 jobs.

That is their projection within this fancy document. If, by the words and deeds of the Premier and the Minister of Finance, they will create 287,000 jobs in the next three years, are they telling us, the people of Ontario, that in the last year of their mandate they will create some 350,000 to 400,000 jobs? Isn't this what the Premier is saying within their own document? I'm sure the Premier must have agreed with the Minister of Finance and his caucus to present the people of Ontario with a document that totally fails the unemployed people of Ontario, the people who will be coming to colleges and universities in the next three years.

Where are they going to find the jobs when the government is telling them today that, "We will not be creating the 725,000 jobs that we said a year ago" — it's almost two years now — when they are saying that, "Conservatively, yes, we will provide 287,000 jobs for the next three years"? If they are upset out there, I think



they are upset with good reason. So the third notion of job creation is totally out the window.

1540

Page 2 of the Common Sense Revolution, in unequivocal terms, says the people need jobs, the people need jobs now, the people need jobs today, not three years, not four years from now. What is the Premier going to tell the unemployed people of this province? What are you, Premier, telling the people of Ontario? That you have failed to deliver on the 725,000 jobs? What are you going to tell the college and university graduates? That there won't be jobs for them? Are you going to inspire confidence in our youth, or are you planning perhaps permanent boot camps?

Premier, this budget is a huge disappointment. It's a huge disappointment for every member of our society who was looking at a government for a hand up and not a slap in the face.

Let me bring to the House a little bit of good news, because I think we get bad news on a daily basis. I would hope that perhaps we get more good news from the people of Ontario on both sides of the House. Let me read this letter, because this is very, very fresh, and I want to make sure I read it as it is. It's addressed to me and it says:

"Dear Mario:

"The following is information that I would like to take this opportunity to bring to your attention. On April 23, 1996, I was admitted to Etobicoke General Hospital for the removal of a malignant tumour on the small intestine. The result of this operation was successful; however, I am compelled to wear an ostomy," whatever that is.

"Mario, my point is that the home health care follow-up service has been absolutely fantastic. It is difficult to find words to express the service supplied. The home care provided for me is by the St Elizabeth health care service, located in Don Mills.

"It would be a complete and total disaster if that Harris bunch ever decided to reduce the cost of funding of this and similar organizations. However, with their lack of knowledge and intelligent experience to carry out required research and to analyse the problems that would obviously be created, along with the present ill-qualified Minister of Health, they are quite capable of doing just that."

It's signed and it says, "Mario, I trust in your wisdom."

What does this say to the members of this House here, on both sides of this House, but specifically the people on the government side? It says that the people out there appreciate the service that is being provided today by those service agencies. What they are telling the Premier, the finance minister and the members of this House is that if the service provided by these agencies is cut by the Premier, by the government, if funding is cut, this particular service will no longer be provided. Those agencies will not be able to afford to provide this wonderful service for the people of Ontario.

I'm looking at the watch and I only have a couple of minutes to go, and I have so much to say. I think we should encourage — and I would bring this to the attention of the government side — keeping, maintaining,

increasing the funding to those agencies that provide this important and necessary service specialty in the health care field.

Since I am on the health care area, let me say one thing again that is contained within the Common Sense Revolution. This is important because I am sure the members of the government side have read every page, every line, every word of the budget as it is presented. But I would encourage every one of them to read it a second time and to take their time and read it slowly, because with respect to the contents of the budget, which is part of the incorporation of the Common Sense Revolution, let me read what it says: "A 'Fair Share' health care levy will be collected through the provincial income tax, with the rich paying more than the middle class, and people making less than \$50,000 a year paying nothing."

I think this is important, because I think the members of the government side have forgotten what their own Common Sense Revolution says: the people making less than \$50,000 paying nothing. "The average middle-class family will still save more than \$4,000 over three years." We have seen the 30% rebate to the people making less than \$50,000. I don't know if the minister or the Premier continues to have trouble with figures, but there is nothing in the budget as it is presented which tells me or the members of the House or the people of Ontario that those people making less than \$50,000 will be getting a rebate of \$4,000 over the next three years. It isn't there, and it just is not so.

I have to conclude my remarks, unfortunately, and I want to thank you for your time.

**The Acting Speaker:** Questions or comments?

**Mr Toni Skarica (Wentworth North):** I found the member's comments curious about not being able to find the reserve of \$650 million in the budget. I took two minutes and found it on page 54 of the budget. There it is in plain English, "a reserve of \$650 million."

I also found curious his comment that it's only \$650 million, it's a drop in the bucket. I gather the Liberals say that because if you move one page forward to page 55 of the budget, you see Ontario's debt projections, and it has a review of what happened to the debt while the Liberals were in power during probably one of the greatest economic booms of this province. What they did is they increased taxes 33 times, and even that wasn't enough to fund all their spending, because they took our debt from \$30 billion to \$42 billion, an increase of 33%. The point is that it's an increase of \$12 billion. When you're spending like that, it's no wonder you say \$650 million of public money is a drop in the bucket.

Another thing that nobody has mentioned is that there are certain benefits to meeting deficit targets and reducing government debt, and they're included in the budget. Everybody seems to be overlooking it. On page 49 of the budget there's an interesting note, and none of the members have mentioned it, the opposition members, of course. We've saved approximately \$645 million in lower interest costs as a result of lowering our deficit; you don't have to pay a premium for your debts.

As well, just recently there was a scare again from Quebec that they may have a snap election and a referendum. A year ago that would have been devastating to



Ontario because 35% of our debt was payable in foreign currencies, but because we are reducing our debt and deficit, we've been able to reschedule all that debt so only about 1% is payable in foreign currency, and so we're not hostage to events that occur —

1550

**The Acting Speaker:** The member's time is up. Further questions or comments?

**Mr James J. Bradley (St Catharines):** It's my pleasure to commend the member for an outstanding speech on the bill which is before us.

The member for Wentworth North who commented of course would be one of those individuals who would be very concerned, having been a crown attorney. The former Liberal government hired a number of crown attorneys so we could prosecute cases in this province, so he'd be very pleased that there were those expenditures and that some of his colleagues now are going to be turfed out the door as a result of the cuts that are taking place with this government that has decided it's not going to be prosecuting certain cases, such as break-and-enters, as much as it used to in the past. I know he will be very pleased with that kind of spending, when he had a job with the government, and that will now be lost and that kind of prosecution won't take place.

Second, I know he would be concerned, as well as my colleague was, that this government is going to have to spend a minimum, over this term of office, of \$13 billion that it's going to have to borrow in order to give an income tax break which will benefit the most wealthy people in our society the most. That's additional borrowing to do it.

If in fact the budget were balanced one could say that would make a lot of sense, and if the government were saying, "Well, we're going to move in that direction because that's an indicator we want to give," that would make some sense, but they're going to have to borrow probably over \$20 billion before the budget is actually balanced: \$13 billion during the term of office, but remember that you're not going to balance the budget during your term of office; it is projected that you would want to do that in an additional year.

The disabled people who were here this morning of course have also been affected by the fact that this government has been cutting services which would be of benefit to disabled people in this province, and for that the government deserves condemnation.

**Mr Jean-Marc Lalonde (Prescott and Russell):** First, I'd like to congratulate my colleague from Yorkview. He definitely mentioned what is going to happen after the PC regime. We know this government is going to be in debt by another \$22 billion. We know when the government took over —

*Interjections.*

**The Acting Speaker:** Order.

**Mr Lalonde:** I'm saying \$22 billion because the interest is there, you will pay additional interest. We know when your government took over that the accumulated debt was \$89 billion. But this government should know too that in the last number of years, only the Liberal government has ended with a surplus, which was

in 1990. The only government that finished with a surplus was the Liberals under the Peterson government.

There's one thing that really hits me in this latest budget announced last week, the video lottery slot machines. I'm just reading in today's Toronto Star what is happening in the province of Nova Scotia. I think all the members should read this press clipping that we read this morning.

I just can't believe that the government, after the Premier had said there was no way we will allow the video poker in the province of Ontario — and today, to reach our goal of a 30% tax deduction, we will introduce those poker games of which only the poor people are trying to make more money. It's a shame, really, to believe that this government is going that route.

Once again, I'd like to congratulate the member for Yorkview.

**Mr Bud Wildman (Algoma):** I want to congratulate the member for Yorkview for his incisive analysis. I would like to mention a couple of things, though, in relation to the budget and the cuts that have been made to pay for this tax cut.

It's interesting that it's not just direct effect, but indirect. We've seen with the enormous cuts in education, for instance, that students with special needs in my area, in the Central Algoma Board of Education jurisdiction, are going to face serious problems. Many who have had teachers' aides with special expertise in assisting them, whether it be sign language abilities in working with the mentally challenged, now are going to find that those assistants are no longer there because a significant number will be laid off by the board. There will be bumping, but that means that even if the person herself is not laid off, she may be or probably will be bumped into another position.

Parents now face a situation where they have seen their children make considerable progress over the last few years and are concerned that they will regress, and unfortunately now are contemplating removing them from the education system next year and working with them themselves at home. Some might say, "Well, it's a good thing to have parents work with these kids" — I suppose, but unfortunately it means that a lot of the children who have been integrated into the school system now will find themselves again isolated, will not be part of the regular school system and may not make the kind of progress they could make with people of more expertise working with them on a daily basis. It's a direct result of this government's cuts.

**Mr Sergio:** I wish to thank my colleague the member for Prescott-Russell, the member for St Catharines and the member who just addressed us. It's appropriate that we have quite a few young people in the gallery today. The members of the government perhaps would like to pay attention to that because their figures really do absolutely nothing to inspire any confidence in the young people who are here in the chamber today.

**Mr Ron Johnson (Brantford):** We're doing more for their future than you did.

**Mr Sergio:** Absolutely. You're right, and I'm pleased they agree with me because youths are our future, but we continue to see the cuts they are making to education.



They continue to see newspapers like this one, I say to the members of the House on the other side. There is absolutely nothing to be proud of when in two separate incidents they cut \$550 million —

*Interjection.*

**Mr Sergio:** I'm quite pleased to hear the member on the side agreeing with me, because these are not our figures; they are their figures. This is what they are doing to the education system in Ontario, this is what they are doing to the young people in our schools today and this unfortunately is what comes out on our streets, in our neighbourhoods. This is what they are preaching but not doing. The cuts to schools and cuts to education do not help to maintain the programs that would assist young people to get a good education, get a good job and become good providers and good citizens in our society.

Unfortunately, this becomes very appropriate with the statement we received today by the Minister of Consumer and Commercial Relations. Statements like that are totally out of whack.

**The Acting Speaker:** Further debate?

**Mr Peter Kormos (Welland-Thorold):** I'm pleased to be able to speak to Bill 47. Speaker, please, I'm going to be very careful with the language I use. I trust that you will use good sense in assessing what I'm about to say.

I want to speak to the Liberal analysis of this budget because I find that interesting, but I'll do that in short order.

I also want to make note of the fact that as your cohort, as in fellow Speaker, already indicated, today is the last day for these pages. These young women and men who have served their communities well as pages here at Queen's Park during the last several weeks are going to return to their homes, having witnessed an historic event: the first budget of this government. It was a long time coming, wasn't it? We waited a long time.

1600

You also will note that these young people have witnessed what could well be some fatal blows being delivered to the sorts of things their parents worked for, struggled for, sacrificed for and indeed paid for. They've witnessed the orgy of privatization, the mindless privatization Harris and the Tories are committed to by virtue of dissolving, disassembling, taking apart and handing away to their rich friends — more of the blue suits — so that big profits can be made from the sorts of things we as Ontarians very much believe belong to us. That's why our parents and grandparents worked for them and struggled for them and sacrificed for them, so they could leave us a legacy.

We have a challenge now. I submit that all progressive people in this province, certainly working women and men in this province, have a challenge now, and that is to commit ourselves that the next progressive government in this province, the next New Democratic Party government in this province, is going to restore to public ownership all those things that have been confiscated by Harris and the Tories and put into the private sector, be it Ontario Hydro, be it the Liquor Control Board of Ontario, which as you know last year earned for the people of Ontario, the working people of Ontario, the taxpayers, profits of \$630 million. This year it will earn

for them profits of some \$50 million more — some \$680 million. At the same time, it employed some 5,000-plus hardworking, responsible women and men at decent wages all across Ontario and delivered alcohol to consumers in a socially responsible manner.

We know that's not going to happen in a privatized regime, least of all when the minister of zip — he used to be the Minister of Consumer and Commercial Relations; he's now the minister of zip, because there is no ministry left. He's divested the ministry of responsibility for commercial regulation. We know from the internal documents that have been coming out of that ministry in brown envelopes like a heavy rain that the move is on to privatize commercial registration and commercial regulation. We heard today that he's all but abandoned — undoubtedly under the direction of the cabinet and this government, and their real masters, the Bay Street people and the Wall Street people — consumer protection. We witnessed it today; we saw the bill being introduced for first reading. That too is why these young people have witnessed a historic event here in the province of Ontario.

Let me talk to you about the folks down in Welland-Thorold. You know that those two communities are strong Ontario communities with hardworking people living in them. They're industrial towns. The city of Welland is a long-time base in steel; Thorold, of course, with the pulp and paper industry that workers have been supporting their families with. But they are communities that are living under a state of real fear, just like communities across Ontario, in every part of this province.

I want to convey to this assembly some of the positive response to the budget and Bill 47. I've got to tell you, from down in Welland there was some positive response to the tax exemption for the 1-800/1-888 telephone lines, because Welland is one of the large call centre bases here in the province of Ontario. Because of the efforts of people down in Welland, we've witnessed some growth in that area, some increase in jobs. It's quickly becoming the city's largest employer.

But think about this: Here's a city that at one time provided employment by virtue of specialty steels, stainless steel. Thank goodness the last government had the wisdom and insight to participate with Atlas steel so it could assist them in a \$20-million-plus investment in their melt floor, to constitute a complete refurbishing, to guarantee jobs — good jobs, high-quality jobs, well-paying jobs — in Welland, in Ontario, in Canada, where they belong. It was the last government that had the insight and the wisdom to work with Atlas Specialty Steels to ensure that type of investment was made.

At the same time, we know that a whole number of factors, including technology, robotics — I was down at the Ford plant in Oakville for almost a full shift, for some seven hours, and that was around a month ago. I was out on the floor. Again, some of these suits over here, the blue suit gang, would be well advised to maybe make that kind of visit, to see how hard working people work and under what kind of conditions.

A remarkable thing about the Ford plant in Oakville: They produce some 84 units an hour. That means every line worker performs 84 tasks an hour. They produce 84 vehicles an hour with a workforce of approximately 3,500



workers. A mere two decades ago I'm told they were producing but 43 units an hour with some 5,000 workers. What that means is that we've seen — and this is common across the rest of the auto assembly industry here in the province — increased production and, I have no hesitation in saying, increased quality, with a significant reduction in labour force. The fact is that it simply doesn't take as many workers, because of the robotics and technology and because of the increased pressure on the workers to produce more and more, regardless of the workplace stress, strain and injury that's imposed by that increased pressure. There's little consideration given to that.

As a matter of fact, I spent some time with one of the union stewards, who showed me the grievance book, and the biggest single area of grievances, complaints made, was in the area of ergonomics — direct health and safety in the workplace. I was amazed to take a walk through that plant and see the shipping containers, see outsourcing of parts from — granted, other parts of Ontario — the United States, Brazil, Mexico, yet other countries, none of which constitutes any contribution to our economy, inevitably incredibly low-wage countries with low standards for workers, no regard for health and safety, no regard for environment.

As you know, auto workers are going to be involved in the struggle of their lifetime in short order as they address the issue of outsourcing and contracting out in the auto industry. As you also know — and reflect on this for a minute — I'm told that the Chevy Cavalier, which is the best-selling vehicle in Canada, is made entirely in Mexico. I read just recently that the new Chrysler Sebring convertible — and that's an upscale car; it's no economy car; it's a little bit of a flagship vehicle for Chrysler-Dodge-Plymouth — once again, is made entirely in Mexico. This is what I read just recently in an automotive column.

Those are pretty frightening propositions. We're looking at a major gutting, the prospect of a thorough gutting of the auto industry from the province of Ontario, from Canada. This government has absolutely no cognizance of the seriousness of that type of attack on value added production here in the province of Ontario. Their response is a slot machine on every corner, as if somehow that's going to make an economy. Reality is that slots don't make an economy. These guys simply don't get it.

They talk about enhancing the tourist and hospitality industry. Fair enough, but once again, without there being a strong manufacturing sector here in the province of Ontario, we are going to witness some dramatic changes to the nature of this economy, to the lives of working people and to the welfare of communities and to the lives of those working people's children.

There simply aren't going to be a whole lot of working people. These people, the Tories, seem to have acknowledged that and embraced it. They don't want to talk about full employment; they want to talk about sustaining high levels of unemployment. They don't want to talk about enhancing and allowing the middle class to grow stronger; they want to talk about direct attacks on the middle class, to the point of its eradication so that, oh yes, there will be the rich, because these Tories will

nurture the generation of some great private wealth, but in the midst of devastating public squalor.

That's the price Ontarians are going to have to pay for there to be a handful of extremely wealthy people in this province and for there to be a real division — the rich and the poor, the elimination of the middle class. Take a look through some what used to be middle-class communities. Take a look at where working people used to be living, until they suffered the prospect of job loss, no pensions; until their children are being told, "Never mind to work at a career for a working lifetime, but you can't even expect to have a job of any significance or any permanence."

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The other area of this budget proposal that received positive comment down where I come from, in Welland-Thorold, in addition to the tax exemption for the call centres — the elimination of the provincial sales tax on the 1-800 and 1-888 telephone lines as of July 1 — was the land transfer tax relief. There were people who responded to that with some sort of mystified joy, because it was only when they looked at the fine print — and I understand it's there for everybody to read; there's nothing secretive about it. There's land transfer tax relief to a maximum of \$1,725. It's for first-time home buyers of newly constructed homes.

The problem is that down in Welland-Thorold and across Niagara, with the uncertainty about their futures, with the realization that this government is not going to create jobs but rather is going to destroy yet more jobs, no families, least of all young families who are the first-time home buyers, are in a position to even consider buying a home, regardless of any modest relief that might be provided by a rebate of land transfer tax. It's a seller's market.

It's a maximum of \$1,700 based on a \$200,000 home. It shows you how out of touch these people are. These people are Smurfs or they're from Mars, but they're certainly not from the kind of Ontario that Welland and Thorold constitute, and that's the biggest part of Ontario. They're from somewhere else, because the fact is that homes don't cost \$200,000 in Welland-Thorold. The fact is that it's a buyer's market. The fact is that young families have such uncertainty about their futures that they wouldn't think at this point in their lives of assuming the responsibility of paying for a home. The fact is that this government talks about creating 725,000 jobs; this government can at the very best promise — a mere promise — 289,000, and it isn't delivering that.

This budget is one of the most dishonest documents that's ever been perpetrated. Would I dare say that the budget speech given by Mr Eves constituted prevarication or a lie? I wouldn't say it was a lie, but people down in Welland-Thorold are saying that the Minister of Finance lied. They most certainly are.

**Mr Stockwell:** On a point of order, Madam Speaker: You are supposed to be maintaining control and ensuring that no one breaks the rules in this Legislature. The member for Welland-Thorold, to whom I will send over a copy of the budget since he hasn't read it — maybe he can read this copy — can't say that the people of



Welland-Thorold are telling him that the finance minister has lied. That's completely out of order.

**The Acting Speaker:** The member for Welland-Thorold is not out of order. The member was quoting somebody else. He personally did not say that a minister of this House was lying. It's not out of order.

**Mr Tony Ruprecht (Parkdale):** On a point of order, Madam Speaker: I'm very happy to listen to this discussion and I know that there are a number of people in the audience who are also happy to be here. Among them is Mr Thomas Chang, who is the representative/director general of the Taipei Economic and Cultural Office. He's leaving us today for Boston. I just wanted to wish him farewell on your behalf. He has done such a great job, and will for us again in Boston, so there will be a lot of goodies coming to us.

**The Acting Speaker:** Thank you, member for Parkdale. That is, as we all know, not a point of order, but nevertheless, I am very happy to have Mr Thomas Chang with us today. Welcome, and certainly we all wish you the best of luck.

**Mr Kormos:** I'm glad you did that as quickly as at all possible, Speaker.

I should retract. I can't say with certainty that everybody in Welland-Thorold said that the Minister of Finance lied, but the people who have contacted my office and spoken to me have certainly said that the Minister of Finance lied, which hasn't been all of the people of Welland yet.

The people in Welland-Thorold are extremely concerned about the future of this economy and the future of this province. They're incredibly concerned about the lack of stewardship on the part of this government when it comes to our young people, the lack of interest when it comes to creating real jobs as compared to those minimum wage jobs, the hamburger-flipping jobs these people are enamoured with, the subminimum wage jobs they want to impose on those of the children in our communities who are indeed fortunate enough, if their families are wealthy enough, to have them graduate from college or university.

The government's reliance on video lottery terminals, slot machines: Let me tell you, the fact that this government would put the control of a slot machine on every corner into the hands of the Ontario Lottery Corp indicates a complete failure to understand the level of corruption and the heights of corruption that have been reached in the Ontario Lottery Corp, which I'll tell you have not been addressed by now the third successive government in a row. The fact is the Ontario Lottery Corp has entirely mismanaged, with no concern whatsoever to small business, the distribution of lottery tickets and lottery ticket terminals here in the province of Ontario.

**Mr Baird:** On a point of order, Madam Speaker: I am very concerned. The honourable member opposite has indicated a criminal violation of the Criminal Code of Canada by a crown agency, and perhaps he could table with the Clerk immediately the evidence he has defaming the good people and the good civil servants who work at that corporation.

**The Acting Speaker:** The member for Nepean, I did not hear the member.

*Interjection.*

**The Acting Speaker:** That's correct, I did not hear him. I would therefore caution the member to be careful in his remarks.

**Mr Kormos:** I've done better than that. I've sent it to the minister responsible who has dismissed it and has refused to investigate it, as did his predecessor in the last government, as did her predecessor in the Liberal government before that.

**Mr Stockwell:** That's you, Marilyn.

**Mr Kormos:** The Ontario Lottery Corp has built a fiefdom, a power unto itself that has a history of abuse of small business people, that has a history of abuse of making decisions by fiat —

**Mr Stockwell:** Marilyn's corrupt. That's terrible.

**The Acting Speaker:** Order, please. Etobicoke-West, come to order.

**Mr Kormos:** — without recourse or without any possible prospect of defence by small business people who are victimized by it.

Very specifically, if these people paid attention to what happens in the House, I spoke of the case of Chris Bahnuk over the course of the last two weeks, a young employee of AT&T who was fired from his job at the insistence of the Ontario Lottery Corp because he had the gall to point out to the Ontario Lottery Corp a breakdown in the integrity of its ticket distribution machinery.

As a technician, he identified that to the Ontario Lottery Corp. He was fired at the insistence of the Ontario Lottery Corp. They obviously didn't want to accept the reality that a bright, young technician had the temerity to point out that their system was failing, and the Ontario Lottery Corp has, through the course of my correspondence with the current minister, Mr Saunderson — and Mr Saunderson has similarly declined to treat the matter other than something that is to be stonewalled, so that young Chris Bahnuk, a young person who ought to be instituting a lawsuit for unjust dismissal and ought to be suing the Ontario Lottery Corp in addition to AT&T — in fact Chris Bahnuk is being stonewalled and the matter's being whitewashed.

I have also brought to the attention of this minister the case of Brant Warner at Thorold News in Thorold; Brant Warner, a small business person, the sort of person who these people, these Tories, would purport to be concerned about when they don't give a tinker's dam about real small business people. Their idea of small business people is a guy like Frank Stronach who employs hundreds of people at a time at non-union wages and who fights tooth and nail efforts of his workers to unionize, and who made a personal paycheque last year in excess of \$40 million and who indeed wasn't being called upon by any of these people to reduce the deficit, even though they called upon working people and the sick and youth and the poor to reduce a deficit that was neither of their making nor something from which they profited. These people have the temerity to let the wealthy get away with even more while making the poor, the unemployed, single parents, workers, pay for a deficit that was none of their making and, as I say, from which they did not profit.



It's incredible that the Ontario Lottery Corp would be relied upon to supervise or engage in the supervision of VLTs. VLTs in themselves are a sufficiently corrupting business both for the communities they're placed in as well as for the operators who operate them. To have a corporation like OLC that has gone completely out of control, that is unresponsive to the ministry that's supposed to be supervising it, is unconscionable and indeed is in itself negligent.

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One of the other areas that this government neglects to note in the issue of jobs is the reality that we have in our communities across this province literally thousands of new Canadians eminently qualified in any number of trades and professions. This government, when it talks — well, that's the problem. It doesn't talk about jobs. It talks a big game, but it doesn't deliver. It asks people to make a leap of faith. I'm sorry. I'm not prepared to make that leap of faith and neither are the people in Welland-Thorold. They simply don't believe them.

The government, in its budget speech, would have us believe that there's been a plethora of new jobs created here in the province of Ontario. Well, where are they? Because they're not down in Welland-Thorold, I'll tell you that. They're not in Niagara Falls. They're not in St Catharines. They're not in Niagara-on-the-Lake. They're not in Port Colborne. They're not in Beamsville. They're not in any of the Lincoln communities. And I haven't noticed them in any of the other working communities that I've been present in over the course of the last seven, eight, or nine months as well.

It's incredible that these guys — and they are, by and large, guys — would call upon people to engage with them in this fantasy about job creation that they claim will flow from a tax break for the very richest here in the province of Ontario. Their tax break, which is being paid for by working people — those are the people who are paying for it. It's being paid for by homeowners by virtue of increased property taxes, by virtue of new user fees to what's going to be to the tune of, I'm confident, thousands of dollars a year as these homeowners struggle to hold on to their homes, as these homeowners struggle to resist the unconscionable attacks on each and every one of them by a gang who are so out of touch with reality, whose pomposity and arrogance permeate every bit of their conduct.

Now let's talk about their so-called tax break, one half to two thirds of which is going to go to the top per cent of income earners, their good friends, those six-digit-income people.

They try to impress us with the fact that somehow this is going to trickle down. Well, that kind of trickling down on, the people in Welland-Thorold neither need nor want.

**Mr Stockwell:** Don't let the facts bother you.

**The Acting Speaker:** The member for Etobicoke West, come to order.

**Mr Kormos:** I'm confident that there will be some well-paid folks here in the province of Ontario with big kickbacks when it comes time for their tax break. The fact is, and the problem is, that Mercedes-Benzes and

BMW's aren't built in the province of Ontario. The fact is that European vacations don't occur in the province of Ontario. The fact is that Gucci shoes aren't manufactured in the province of Ontario.

The people of Welland-Thorold have no use for these Tories and their right-wing agenda. The people of Welland-Thorold rejected them soundly in 1995 and will reject them in the next provincial election, when they will be defeated and when this province will have an opportunity once again to restore some sanity to this economy and to our communities.

I want to speak about the issue raised in the budget speech of safe communities. This government again talked a big game, and the fact is that somebody lied during the course of the last election campaign. Somebody lied about not defunding policing in the province of Ontario. Somebody lied about not reducing the funds available for front-line policing.

The fact is that across communities in every part of this province, cops are under siege by a government that they thought was their friend. We are going to see police officers maimed and wounded as a result of this government's failure to abide by its commitment to fully fund policing. We are going to see families victimized. We are going to see seniors burgled and broken and entered. We are going to see youngsters out there with their paper routes and with their ice cream trucks robbed because this government refuses to properly fund policing. Police know it, and police have been condemning this government. The Sault chief condemns this government. Kingston has had to have cops chasing cash instead of crime. The Metropolitan Toronto Police Services Board indicates that it has great concern about police officers whose energies are diverted to raising cash. This government would want to have them doing lotteries and bake sales to finance policing rather than apprehending crime and criminals.

This government has subverted the criminal justice system in this province. This government has laid off crown attorneys and has now made a commitment to not prosecute what it considers non-consequential crimes. Tell that to the victim of the theft, that it wasn't a consequential crime. Tell that to the small business people who are being shoplifted day after day, when the police don't prosecute, that it's a non-consequential crime. Tell that to the victims of break-and-enters, that it's a non-consequential crime. Tell that to the children who are victims of crime.

You see, they're laughing about victims of crime, Speaker. They find it humorous, and I find it sad and tragic. They find it humorous that this government is going to generate enhanced levels of crime while at the same time telling people that they're going to have to wait for some sort of nirvana, some sort of dreamlike state, before they'll encounter some 725,000 jobs that are merely promised but for which there's no commitment.

This government is trying to gut the sorts of services that are available in and through courts. This government wants to lay off court reporters and generate yet more unemployment. This government wants to see the women and men who have transcribed cases on a daily basis for the purpose of appeals and for the purpose of furthering



the cause of justice sent off into the land of unemployment, and we've already heard what serious and major judges have had to say about the foolhardiness of that.

This government is encouraging crime. This government is creating unemployment. This government is putting police officers, policewomen and policemen, at risk. This government has already put firefighters under attack. This government has gutted labour legislation in this province that provided some fairness and justice for working people.

This government has condemned the sick to lives of despair. This government has condemned youth to a life with no future. This government has condemned our senior citizens to living in hovels rather than living in housing and accommodation for seniors that seniors deserve. This government has generated homelessness by virtue of its abandonment of co-op housing and alternative forms of housing.

This government is creating in our society a very broad distinction between the very rich, who will undoubtedly continue to support them, and what will be the very poor, and increasingly poorer, as this government attacks the economy, the industrial base of this society and this province.

Indeed, this sort of right-wingism is being rejected now in the United States as we see the Newt Gingriches and the Doles of America slithering away into a forgotten space in American history. This government too — they don't have to worry about tenure here, because most of these people are one-shot wonders — this government too will disappear from the Ontario landscape but will be remembered and it will be remembered with a vengeance and a hatred such that nobody with the label Conservative will dare present their face in any community here in the province of Ontario. Mark my words on that.

**The Acting Speaker:** Questions or comments?

**Mr Stockwell:** It's always with great interest that I enjoy listening to my colleague and friend Mr Kormos from Welland-Thorold. He is both entertaining and completely marginalized by anybody with any realistic understanding of the finances of this province. With all due respect to my good friend Mr Kormos, even in his socialist enclave when they were in power, Mr Kormos felt that even though the socialists had run up the debt by some \$50 billion —

**Mr Kormos:** On a point of order, Madam Speaker: That was not a socialist government, and this member should retract.

**The Acting Speaker:** That is not a point of order. Take your seat.

**Mr Stockwell:** You know what, Madam Speaker? They were as close to socialists as I ever want to get, let me tell you that, and I want to tell you something else. After they ran up the debt by \$50 billion — the deficit was at \$10 billion or \$11 billion or \$12 billion, program spending had increased by 12% to 14% on average — the one guy who stood alone in that party was Mr Kormos, because he was convinced that wasn't enough.

1630

He was the only guy in the province who said we should be spending more, running up more debt, running up more deficit and actually bankrupting us to no end,

and he stands in his place today and suggests that we're being unreasonable in this approach to fiscal responsibility. I say to my good friend the member for Welland-Thorold, talk about marginalized. Other than those few in Welland-Thorold who find your particular brand of politics acceptable, the broad cross-section of society in this good province finds it absolutely criminal that you would stand in your place and suggest we continue on with the socialist débâcle of five years and tell us the debt you ran up wasn't enough, the deficit wasn't high enough — you would take us to the brink of bankruptcy. That kind of brinkmanship, I'm proud to say, I don't want to associate with and your own party didn't want to associate with.

**Mr Sergio:** I have to compliment the member for Welland-Thorold. I say in response to the member for Etobicoke West that evidently the member for Welland-Thorold is not sitting in this House just because of a very few in his riding. It shows that he must have had quite a lot more for him to get elected, but let me address my points.

In all honesty, the government side must stop saying one thing and delivering another. This is hypocrisy of the highest order; this is not democracy. You're doing something and you're delivering something else. Please tell the people in your riding what you're saying and what you're delivering in this House. How can we accept something from the Minister of Consumer and Commercial Relations when he said, "I am going to make sure that I will create programs to deliver peace, tranquility and safety in residential neighbourhoods"? How do they have the guts to come into this House and do that when in the last couple of months they have cut over \$160 million and we're seeing today an increase in crime?

Please don't come into this House and say one thing and then deliver another. Let me just read, "These initiatives will not only maintain the high public safety in the marketplace standards that Ontarians have rightly come to expect" — and they are cutting every possible budget. Tell the people in your riding that you're saying one thing and delivering another.

**Mr Rosario Marchese (Fort York):** I congratulate my friend and colleague the member for Welland-Thorold. The people from Welland-Thorold will see and cut through the puffery we have heard from the member for Etobicoke West, all in due course.

The member for Welland-Thorold touched on it and I want to expound on that a bit: It's been a great year for the chairmen of major banks of this country and it's about to get better. Thanks to the 30% provincial income tax cut promised by Mike Harris, these five men are about to get richer by almost half a million dollars. Let me explain how. That's where the tax dollars are going:

Matthew Barrett of the Bank of Montreal, with a salary and bonus last of year of \$1.9 million, will save roughly \$100,000 in his income tax under the Harris tax cut plan.

Peter Godsoe, chairman of the Bank of Nova Scotia, with salary and bonus of \$1.6 million, will save about \$84,000 in taxes, as will CIBC chairman Al Flood, with a salary and bonus of \$1.63 million.

TD Bank chairman Dick Thomson, with a \$1.8-million salary and bonus package, will save about \$94,000.



Former Royal Bank chairman Allan Taylor, who retired at the end of last year, would have saved about \$100,000. Presumably successor John Cleghorn will enjoy similar savings.

Altogether we're talking about over half a million dollars. That's where the money's going. Can you imagine how many dented cans of tuna we could buy? Think of that. More to the point, \$462,000 gifts to these five men will be paid by the Harris government's spending cuts. All those single mothers who are being forced into smaller basement apartments as their welfare cheques are cut by 20% are helping to pay for the tax breaks you're giving to the wealthy. That's where it's going.

**Mr Baird:** The member for Welland-Thorold has come into this House and he's complained time and time again that they don't want the tax cut. I wonder if he's going to give his tax cut to charity. I wonder if he's going to give his tax cut back to support the deficit. I have a challenge for my friend opposite. I challenge him to stand in his place and promise, on behalf of his party, with the full support of his party, to raise personal income taxes in Ontario by 30% in the next election campaign.

The new standard that's been set in this province by one Sheila Copps, from a part of the province near his, is that they will promise to resign if they don't do it. Why don't the member and his colleagues opposite all promise to raise taxes by 30% and if they don't they'll all resign, and make that official party policy? If they're so convinced it's wrong, if they're so convinced it's bad, they'll get up and they'll do it without any hesitation.

As well, the honourable member talked about criminal activity. Again, I have another challenge to the honourable member. Why doesn't he go outside and name names if he believes there's criminal activity going on in the province of Ontario, bypass the legislative immunity here, step outside and repeat the same thing he said in here to the news media, and let them see him do it?

The honourable member also mentioned the land transfer tax rebate, saying no one in his community would be able to use it. It will be interesting to see in a year's time, by March 30, 1997, how many people in his community do use it. In my community, new home construction has been very hard hit by the recession, and they're welcoming that.

I also noted with great interest that the honourable member spoke for 30 minutes and he didn't mention the 35,000 jobs that were created in Ontario last month. The headlines said that after two quarters of economic recession in 1995 the Ontario economy sharply rebounded. Is there any doubt why it rebounded? It rebounded because on June 26 Ontario got a new government, more jobs, more hope and more opportunity.

**The Deputy Speaker (Mr Bert Johnson):** The member for Welland-Thorold has two minutes to respond.

**Mr Kormos:** I don't need lectures from porcine Tories about any of these matters.

*Interjection.*

**Mr Kormos:** Go ahead, son, tell them what "porcine" means.

These people have been at the trough here since —

**Mr Doug Galt (Northumberland):** A point of order, Mr Speaker.

**Mr Kormos:** Save my time. This better be a good one.

**Mr Galt:** On a point of order, Mr Speaker: I think the honourable member across the floor should retract the comment about an honourable member in front of me being porcine.

**Mr Kormos:** Why?

**Mr Galt:** It's very much out of order.

**The Deputy Speaker:** That's not a point of order.

**Mr Kormos:** I was referring to all of them and to no one in specific. These are the people who have been troughing since they've been elected in June calling upon poor people, calling upon working people to tighten their belts; these are the people who just took on a pay increase to the tune of some \$10,000 to \$15,000 a year and mislead the public into thinking that it's a pay decrease. We're going to take lessons from them in integrity of any way, shape or form? They've had their way with their spin doctors and their \$1,000-a-day consultants.

**Mr Galt:** This kind of language is not in order.

**The Deputy Speaker:** I did not hear anything that infers anything that would be out of order in the comments from the member.

**Mr Kormos:** These people have been perpetrating a fraud upon the public of Ontario in such a way that the pain and suffering is only going to be mitigated by the fact that working people in this province, led by trade unionists, along with retirees, are going to be on the streets of Peterborough, as they were on the streets of London and then Hamilton and then Kitchener. They'll be in Ottawa. They'll be in North Bay. Their goal is to bring this government down long before its mandate. If they're unable to achieve that goal, they'll bring this government down at the next election.

**The Deputy Speaker:** The member's time has expired. I'd like the attention of the House, please.

*Interjections.*

**The Deputy Speaker:** Order. The member for Etobicoke West will come to order. I'll not warn you again.

1640

There is too much banter and back and forth. There's a using of terms and words that I have never heard of before and I don't want to hear them again. I want it to stop. I think this House would like to indulge in proper debate, going by the rules that you've laid down for yourselves.

**Mr Ed Doyle (Wentworth East):** It's indeed a pleasure to follow the finest bovine in the House.

It's a delight for me to get up in this House today and speak on a topic that will bring profound, positive change, not only to constituents of my area but also to the citizens of the province of Ontario.

Two weeks ago, on Tuesday, May 7, to be exact, the government delivered its first budget. Moreover, both our Premier, Mike Harris, and our caucus promised that it would be a good budget. Well, the constituents I have in my riding are telling me that we were right; it is indeed a good budget. It contains no surprises. It says what we



said we would do. We simply delivered on what we had promised.

Over the last 10 months in office, our government has done more than just get finances under control. We've cut taxes, re-examined our priorities in spending and we have restored some integrity to the concept of politics and politicians.

In the past many years, campaigns were waged, promises were made, people and parties were elected to power, and once they got there, they reneged on these promises. This led of course to a great deal of cynicism held by the public towards the office of government and the office of politicians. However, this time around, there is a change in the air and a change in the feelings of people. The people I've spoken with are no longer surprised that we are fulfilling our pledges. They've become used to and are now expecting us to continue to keep our word.

Just after the budget was released, I was invited to speak at a breakfast meeting. Those in attendance at that breakfast reflected all sectors of society. Some were previous supporters and some were new supporters of this government, but they all had one thing in common: They understood what we are doing and why, and they like what we're doing and they like what they're hearing from this government.

There are so many good things in this budget that it is difficult to pick just one or two areas to talk about. In fact, in my riding of Wentworth East, there is something basically for everyone in this particular budget.

For real estate agents, for example — I've spoken to a few of them since the election — they've seen an increase of first-time home buyers who are inquiring about new homes. Of course much of this is due to the new land transfer tax refund. First-time home buyers who buy between May 7, 1996, and March 31, 1997, will receive a refund of this tax up to a maximum of \$1,725. Agents have been saying this will give new buyers an extra break when they want to buy a new home.

Recently, I also attended the opening of a new housing development in Treetops Village of upper Stoney Creek, and I can tell you the developers in my area are just as excited about the changes the government has introduced, again because of this land transfer tax refund. The transfer tax refund, along with the tax cut that people will be getting generally, will make it much easier for people to purchase their first home.

In Glanbrook, also in my riding, under the budget, farmers now will be able to receive a rebate of the 8% tax on building materials bought to upgrade or modernize farm operations between now and March 31, 1997. The Minister of Agriculture, Food and Rural Affairs is currently working with the Minister of Finance in setting up this particular rebate system. In fact, this week one farmer called my office and said that the rebate is a great thing. Now is the time when farmers plan for the next year concerning what work needs to be done. He said that every farm can be renovated and can be upgraded.

The big item in the budget of course is the tax cut. In my lifetime, I can remember tax hike after tax hike over tax hike after tax hike. I have four sons. They're all married. They and their wives have never seen a tax cut

in their working lives. They've never experienced one. It's the same with my young staff. They have been working and they have never seen a tax cut, not in their entire lives.

It was just a few weeks ago that a comet flew by. That comet was last in orbit around the earth in this vicinity of the earth 10,000 years ago. I saw the comet; many people in this House saw the comet; my sons saw the comet. They saw a comet that hadn't been here for 10,000 years, but they have never seen a tax decrease. It's unusual. Let's hope if another government is ever elected, we won't be going through the same thing, because it may be another comet's appearance before they see another tax break.

We'll see three personal income tax cuts in this particular mandate. As a matter of fact, in this particular budget there are nine other tax decreases as well, some of which I've spoken of. We believe the key to getting the province back on track is a combination of smart spending as well as lower taxes. We've gone a long way to spending your tax dollar in a smarter fashion, and we shall continue to do that.

Under this budget, all Ontarians will see their taxes cut, yet the percentage benefits will be greater for those with moderate and modest incomes: 64% of the benefits from this tax cut will be concentrated on middle-income Ontarians earning between \$25,000 and \$75,000 a year.

For those who would rather not use their tax savings on themselves, we have created the Ontario opportunities fund. This fund will allow individuals to voluntarily contribute to pay down the deficit. Added to these funds will be the proceeds from any major asset sales that are made by the province and the money that remains after meeting our annual deficit targets.

I must also echo what our Premier has said, and other members: There are many worthwhile charities and organizations in our communities that we can donate to if we do not want to keep the tax cut to ourselves. I challenge people to donate this to charity if they don't want to spend it or otherwise save it.

An area that is very close to all our hearts, of course, every member of this House, is our reinvestment in quality health care and social services. In learning to spend the taxpayer's dollar in a smarter fashion, it was required that we examine the current systems to see how we could improve upon them.

The results of this investigation have led to increasing the health care budget to \$17.7 billion, when in fact in the Common Sense Revolution we had said it would be \$17.4 billion; reinvesting \$170 million for in-home service for senior citizens and persons with disabilities, thereby expanding services to an additional 80,000 people in the province; moving seniors and persons with disabilities off welfare and on to a guaranteed support program, a program of their own, and allowing for 23 additional MRIs in Ontario.

That is not all. In my riding, Wentworth East, we are also going to be doing some reinvestment, and some announcements have also been made. The city of Stoney Creek is going to be receiving a new kidney dialysis unit that will surely alleviate much of the long lines and travel time that patients have faced up until now.



This budget has been more than just good news. It is great news for the residents of my area and for indeed all of Ontario. We know what the priorities are. The citizens of our communities know what they are too: spending wisely, demanding excellence from the services provided, lessening the tax burden and restoring hope and prosperity to our economy. These are principles I am proud of. We as a government have fulfilled our promises and, working together with our communities, Ontario will be a place that our children and our grandchildren can be proud to call home.

**The Deputy Speaker:** Comments and questions?

**Mr Bradley:** It's always pleasant to hear from the member for Wentworth East and his contribution. I used to enjoy him on channel 11 when he was with CHCH-TV.

One of the things he forgot to mention, and I know he wanted to, and if they had allocated more time he would have, was the video lottery terminals. I suspect the reason they weren't mentioned is — and I can't speak for the member, but I would say probably a lot of people in the government benches are very uneasy about video lottery terminals being introduced in the province.

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I can remember when their Premier and their Treasurer were strongly advocating against casino gambling, for instance, in the province. Now we have a casino approved since then in Niagara Falls and one in Orillia, so I guess the issue of casino gambling is a bit behind us, but the VLTs are something new and different, more insidious, more alluring, more inclined to addict people to them. I was wondering whether the member, if he'd had more time, would have discussed the difficulties that will be imposed upon the very vulnerable and desperate people in the province by the widespread introduction of video lottery terminals.

I know that it's alluring to a Minister of Finance because it's easy money, but at the same time that there's a tax cut which will for the most part benefit the richest people in the province, we will find, I think, that the people with the least in the province will be those paying the so-called voluntary tax of the video lottery terminals.

This is something I happen to think probably transcends partisan considerations. It's been rather a personal issue with me, watching how successive governments have tried to lure people into this kind of gambling and become addicted to it. I'd certainly be interested if the member would care to give his views on that issue.

**Mr Wildman:** I listened, when I was in the lobby, to the member's remarks, and frankly I always enjoy listening to the member. He seems to be quite fairminded, and I noticed that in the member for Wentworth East, who I think originally came from the Cochrane area or the north.

**Mr Doyle:** From the north.

**Mr Wildman:** Yes, from the north. In his remarks he mentioned that he thought the government had dealt with spending and had cut taxes, and that was the central message in the budget. I'm curious, as was my friend from St Catharines, about why he didn't deal with the fact that the Premier, his leader, was quite clear, both before the election, during the election campaign and

subsequently, that it was not a revenue problem. He said the problem was spending, expenditures, and expenditures had to be cut.

He then went, as I recall, to Windsor on one occasion and said: "Look, we don't need casino revenues. We don't want casino revenues. We're not interested." He then changed his mind somewhat later and now he's made an announcement that there's going to be another casino in Niagara Falls.

On top of that, the government has broken a commitment made by the previous government to the aboriginal people and demanded 20% of the revenues that were supposed to be allocated to economic development for aboriginal people across the province from the Orillia-Rama casino. I'd like to know what it is that has changed the government's mind, that has made them realize it is indeed a revenue problem and they have to get this kind of revenue.

**Mr Skarica:** I want to applaud my fellow member from Hamilton for an excellent speech, and there's really nothing that needs to be said to respond to it. So I'd like to refer to a poorer quality speech, and that was the one that we got from Welland-Thorold. One area that speech didn't touch on was crime, and perhaps I could refer to that.

One of the reasons that I came here — and quite frankly I took a substantial pay cut thanks to the largesse of the Liberals during the 1980s where they gave me a lot of the pay increases, and I thank them for that.

I'd like to touch upon what happened to crime during the 1990s under the previous government. One day I noticed that there weren't any break-and-enter charges in court. For about a week I noticed that there weren't any break-and-enter charges in our court, and there used to be a lot. So I decided to look up the statistics on break-and-enters, and basically what happened was that you could virtually break into any home in Ontario at the time risk-free. The statistics showed that for every 100 break-and-enters, we were charging less than 10%. So there was a growth industry in Ontario during the 1990s, and it was crime and break-and-enters, and car thefts were going up substantially every year.

What happened with the previous government is that while that crime disappeared, it was being replaced by other important programs like employment equity. There was a great growth in the employment equity industry. They were taking crowns out of our court and sending them somewhere in Toronto to work on employment equity.

I don't have time to say further, but there was undue damage done to the criminal justice system, and that's why I'm here today.

**Mr Mike Colle (Oakwood):** I certainly agree that the member for Wentworth East had some very valuable things to say, and I think he has been shown to be a very rational and fairminded person. He made some points about the budget and things that he likes in the budget, and we certainly appreciate his approach. It's always straightforward, and I certainly commend him on that.

One concern that I will raise with him is that I wonder if in his riding of Wentworth East he's getting the same type of response I'm getting, that they might like certain



aspects of the budget, but one of the missing ingredients they continue to point to is that jobs and the job strategy don't seem to be there. What it all seems to hinge on is that you wish and hope that somehow this magic of the trickle-down tax break is going to create a job. I guess people say, "Where else has this happened? Where have the jobs been created with this strategy?" and really they don't see the prospects of employment.

I'm not talking about people who are working as stockbrokers on Bay Street. I'm talking about people who want just a decent salary for an honest week's work. They don't see any more hope. They don't see any real prospects of that improving in the near term. They're still very pessimistic and they're still very concerned about where their job is going to be and where the 20- to 30-year-old jobs are going to be for their children, and they're still very, very anxious about that part of it.

I just wonder whether he's getting the same type of concern about future jobs, especially in terms of people entering the workforce for the first time. I think that's one of the main gaps in the budget document.

**The Deputy Speaker:** The member for Hamilton East has two minutes.

**Mr Doyle:** I have two minutes, I guess, to respond, and I will address all the comments they've mentioned.

First of all, to the member for Algoma and the leader of the third party, I am from the north country, but a little farther to the east in the Quebec area, and I did spend some time in the north working as well. I like the north country. I think you know that.

As far as the member for St Catharines is concerned, I will comment on the VLTs. I personally have never used VLTs. I'm not that crazy about them myself personally — I don't mind saying that — but I think the reason we're handling it in this way is so that we can ensure that we get control of the illegal VLTs in the province today. I can accept them for that reason. The government, I think, is looking at it from that point of view as well. We've got thousand of people going to other provinces, spending their money on VLTs there and then coming back, and then we have to deal with the problem. The money we get out of the VLTs will be redirected to help people like this out.

As far as the other honourable member on the opposition side, as far as the jobs are concerned, yes, indeed, they have talked to me about the jobs, and I believe they are confident that it will be more than a trickle-down. I think, as a matter of fact, they truly believe it will be a flood rather than a trickle-down and that it will restore confidence and help us to create jobs.

**The Deputy Speaker:** Further debate?

**Mr Colle:** I think the job jury, or the ultimate judgement on this budget and this government, will be on the number of permanent and real jobs that will be created by this budget and other budgets this government will bring down. That's the ultimate test. Right now the government is in uncharted waters. I don't really think they know themselves how many jobs are going to be created that are going to be meaningful to people across Ontario.

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One of the philosophical approaches of this government was best described by a great Canadian who came

from the Guelph area: John Kenneth Galbraith. Someone asked him to describe, in plain terms, the trickle-down, supply-side theory of economics and how could an ordinary person understand that. John Kenneth Galbraith said that the best way to describe trickle-down economics is that if you have a horse and you feed a horse enough oats and keep feeding that horse oats, then eventually there'll be enough leftovers for the squirrels, and you hope you can afford to keep feeding that horse oats. That's John Kenneth Galbraith's summation. Mr Speaker, coming from a semi-rural area, you'd understand that analogy about feeding a horse oats. That's trickle-down economics, that you hope and pray that if you feed the big guys, you're eventually going to have enough for the little people.

The other point about this budget: Certainly I think it's a candy-coated budget. That's why I think there was a separation. As you know, they made their economic business plan statement a couple of weeks earlier, because in that you had the bad news and the reality of what the agenda of this government is all about — all the layoffs, all the contractions, all the downsizing. They didn't want to give people a real picture of what the impact was.

What we had here last week was an extravaganza for public relations consultants. They were trying to tell everybody that everything is rosy, there are going to be jobs everywhere, everybody's going to have a tax cut, there's going to be a video lottery terminal on every corner and Ontario will prosper. That's what the budget exercise was all about last week. It was trying to extract as much possible so-called good news out of a lot of damage that's been done to this province as a result of a commitment — and the budget really relates to this — they made before the election to find some way of coming across with this 30% tax cut.

The government has gone out on a limb. They've even contradicted their own basic Conservative ideology, because this is the same government that continually repeated that mantra that "We're spending \$1 million more an hour than we're taking in." They kept on saying that. They kept on saying, "The deficit is really horrendous and we have to deal with that."

Certainly a lot of us agree it is a horrendous deficit. But the major contradiction, the major opposite of this budget, you might say, is that for a government that keeps on repeating the fact that the deficit and being in debt is so bad that it has to be a number one priority, what does it go and do? They say, "We are going to now go and borrow \$5 billion to give you this tax cut and add \$22 billion to the debt."

It's pretty fundamental that first of all, and I've repeated it before, the Premier of Alberta very specifically told you it would be a lot saner and a lot more rational to pay down your debt first, put any money you have towards reducing the debt, and then maybe at the end of three or four years you might be able to produce a dividend or a tax cut.

Remember, Premier Harris said when he came to office, "We're bankrupt." If a company's on the verge of bankruptcy or is bankrupt, you don't give away dividends to your shareholders. First of all, you put your house in order and you deal with the debt and the deficit.



The tax cut is the major contradiction here, because what it does is add to this horrendous problem. You're spending \$1 million more an hour than you're taking in. Therefore, deal with that and don't borrow more money, don't go into greater debt. That's the fundamental flaw the budget rests upon.

Certainly a lot of us could disagree with the approaches, and the philosophy maybe, of the government, but even a lot of conservative economists and a lot of middle-of-the-road economists have said the more reasoned thing to have done would have been to essentially pay down the deficit with every cent you have and not forgo \$5 billion worth of revenue. You don't forgo revenue streams when you need revenue. An admission of the fact that we've got a revenue problem here was in this reliance, all of a sudden, on a new-found revenue stream, and that's the VLT stream, the video lottery terminal revenue stream.

They know they've got a revenue problem, so even though historically the Minister of Finance and the Premier have railed against gambling and government reliance on gambling — just like back in the 1920s they had the temperance movement — they said gambling is bad, is bad, is bad, all of a sudden gambling isn't bad because they've been caught. Because they've turned off this revenue stream, they have to find another revenue stream. The new revenue stream is going to be partially through the video lottery terminals. The Ontario Restaurant Association thinks the government may be able to recoup \$1 billion through the video lottery terminal approach.

One of the consequences of that approach too is that there's a cost to it, that these video lottery terminals — I don't know, Mr Speaker, whether in your area of Stratford you have a lot of these video lottery terminals, slot machines, whatever they are, but they are a plague and people who are gamblers or relatives of gamblers would tell you they are the worst form of gambling because they are highly addictive. As they've been aptly called, they're the crack cocaine of gambling. In other words, you get addicted to it and you can't stop.

Usually the people who use these machines are the most vulnerable, the people who are already on the margin on an income basis. A lot of young people use these machines, and people who can't afford to gamble. Yet what will happen is that a lot of people will be stuck on these machines and you'll see what has happened in Nova Scotia and other places, where people were blowing their whole paycheck on these machines.

Sure, the government is putting aside some money for addiction, but there's no money put aside for what happens to the families of these video lottery terminal addicts. In other words, some father or mother is going to blow their paycheck and come home without that paycheck. They won't pay the rent; there won't be any money for food. Is this government really committed to helping those people who are going to be victimized by the proliferation of these VLT machines? That has not been factored into this budget and it should be. If you're going to proliferate these machines, you'd better be willing certainly to pay the consequences and help people who are going to be victimized by them.

The other thing about these machines and the reliance on them is going to be the cost of policing. Right now the police in Ontario cannot handle the illegal machines, because they're everywhere. The police have almost thrown in the towel. If you bring in these machines — and they're bringing in 20,000 or whatever — how many police officers will you need to supervise these machines across Ontario? How many hundreds and thousands of inspection officers, police officers, bylaw control officers will you need to ensure these machines are legal? That's another cost that is not factored into this new-found revenue stream.

Although it's very alluring to the government to rely on this new-found revenue stream, it could be very problematic for ordinary Ontarians who may become victimized by these machines. It's not only the addicts who will be using these machines; it will also be the children of the addicts, the relatives of the addicts who will be forced to use these VLTs, and not because they like the machines. These machines are as potent as any drug you'll see in the market. They are addictive, they are captivating, and people lose all sense of rationality as a result of them. That's how harmful they are.

**1710**

The other aspect about this budget which is quite interesting: In the area of transportation — talk about the candy coating. There's been all kinds of jumping up and down by the Minister of Transportation that there's all extra money now being spent on roads. He has finally admitted that we have a road pothole problem. It did take him three months to realize it, as the snow-clearing problem; it took him the winter to realize the roads weren't being cleared. Anyway, finally the minister has realized our road infrastructure in this province is in dismal shape.

They made this announcement about new-found moneys to take care of the road problem, but this is a sham, because if you look at the budget, how can you say they're spending more money on fixing and repairing roads when the capital budget in transportation has been gutted by about \$540 million? On the operating side, there's even 150-odd-million dollars less than they spent last year for operating in transportation. So how could you be spending more on road infrastructure when essentially you've cut \$700 million? Our roads in this province are not going to be fixed by this candy-coated announcement because the budget has been gutted.

On top of that, 1,200 people in the Ministry of Transportation are getting their pink slips. So there are going to be 1,200 fewer people available to work and repair the roads and ensure the standards for road maintenance are kept up.

**Mr Wildman:** Yes, but they can do it on workfare.

**Mr Colle:** Yes. Perhaps, as the member for Algoma said, the workfare people are going to repair the roads now.

The budget is also interesting in terms of jobs. The hope is that somehow the tax cut will create jobs. It's interesting in terms of their approach to this. They're saying, "If you get this tax cut, go and spend it." They're encouraging people all across Ontario to spend money because they've got the tax cut. This is the same govern-



ment that keeps on telling everybody: "Hey listen, the deficit's a problem, debts are a problem. We've got to be careful with our money." One day you're saying, "Debt and deficits are a problem, we can't spend," but now, "Here's the tax and go spend, spend, spend." It's a bit of a contradiction.

The other thing is, if you're taking money — I know in the north there are 900 Ministry of Natural Resources, Northern Development and Mines people who got their pink slips today who are getting a paycheque from the government. They were spending their paycheques probably in their communities and that was creating jobs, but this government says: "No, no, no. Your kind of spending doesn't work. What we have to do is take your paycheque out of your pocket, then we'll give it back to someone else, and their spending will create jobs." Somehow again this doesn't make sense, because isn't spending spending?

In my own community, for instance, when the social assistance cuts came down in October, I know all the small stores on St Clair and Eglinton, on Oakwood and Keele, noticed a dramatic dropoff in spending. Keele and Rogers has one of the largest social assistance offices in this province and the people who live in the area, some of them who rely on social assistance, were spending their money. In other words, they were buying food, they were buying shoes; some were even putting a little of a down payment on furniture. But they were spending in the local stores.

Since the social assistance cuts came in at 22%, the local merchants have noticed they're not selling as many shoes, they're not selling as many dry goods, they're not selling as much food. I know Gus's grocery store up on Eglinton said that people used to come in and spend about \$120 a week on groceries. When their social assistance got cut by 22%, they're now spending about \$80, \$60 on food.

Even though I know you begrudge the fact that those people on social assistance were getting this money, they were spending it in the local economy, and that was creating a bit of help for small merchants and small businesses, and I think that's gone. I just don't quite understand which kind of spending is good, which kind of spending is bad, because now the government is encouraging everybody to spend again. But as you know, a lot of people cannot spend because their credit cards are maxed out, their personal household debt is maxed out, so they're going to probably have to pay down their personal debts first before they can go out and spend all this money. So it's a bit of a long shot to think that all this money is going to create this big job bonanza in this province.

Another area I'm very concerned about is the impact of this budget on things like hospitals. I'm really concerned about the impact on hospitals. As you know, this government has claimed that they haven't cut medical aspects or health care, but I know our hospitals across Metro are really feeling the pinch of government cutbacks. There are people being laid off in hospitals all across Metro, and these were people who were stable members of the community, were parts of the Lions Club, members of the Knights of Columbus. These people who

worked in local hospitals are now getting their layoff notices because of the budget cuts.

There's also a great threat in terms of which hospitals will close. In Metro we have 11 hospitals that face the axe and it's not only the services we all treasure — emergency services, orthopaedic services — but we treasure the jobs those hospitals provide in Metro.

I know there are 800 people employed in Northwestern hospital. I'm glad the Minister of Health is here, and I know he's trying to do a good job in a very tough ministry. I know those 800 people who work in Northwestern are wondering where their future will be if the hospital closes. They want to let this government know that their jobs are important and that there aren't other jobs available in the economy in Toronto right now, in Metro; therefore, if you close a hospital, you're not only going to deprive a community of service, but you're going to deprive very dedicated people of an opportunity to work and get a paycheque.

That's the other aspect of this budget that concerns me, the commitment to ensuring that there's enough there to keep our medical system at the high level it should be and has been in the past. There's a great deal of apprehension about that.

Education is another area that is of great concern to people. The educational community is really in a state of panic. If there's one thing the Minister of Education has done, and I think all the members across will agree, he has created a crisis. Every educator in every school agrees with that. There's certainly a sense of crisis and anxiety in every high school, elementary school across this province. No matter which side of the political spectrum you're on, you do agree that John Snobelen, the Minister of Education, has created this crisis and no one seems to know what the fallout is going to be.

They had anticipated the toolbox as being part of the solution; as you know, it became the wimp box. There was nothing in it, so people were left hanging as a result of a change in direction. Everybody's waiting anxiously for what's going to happen to their schools, what's going to happen to their teachers and what's going to happen essentially to the children of this province. This budget has not done anything to lessen the anxiety in our schools.

I would think this government better address that issue, because at this point in time there's nothing constructive being done and when you're in a state of crisis, a state of anxiety, it's very difficult to come across with meaningful change. We all agree there should be change, but you can't bring about change when you're threatening people, when there is this sense of high anxiety that the minister has created. That's another aspect of this budget which has really caused a lot of consternation in every community.

**Mrs Marion Boyd (London Centre):** On a point of order, Mr Speaker: This is an important topic and again on a Thursday afternoon the government is not keeping a quorum.

**The Deputy Speaker:** Would the clerk please check for a quorum.

**Senior Clerk Assistant and Clerk of Journals (Mr Alex D. McFedries):** A quorum is present, Speaker.



**The Deputy Speaker:** The Chair recognizes the member for Oakwood.

1720

**Mr Colle:** In terms of where we're going in this province as a result of this budget, I think we have to look at the impact of it on ordinary people, and ordinary people are not asking for that much. All they're asking for primarily is some kind of assurance that the government will not cut just based on ideology. What they're saying is: "We are all willing to cooperate if things perhaps have to be changed, but please don't cut too hard, too fast, too deep. We're worried. We're asking you to slow down a bit; we're asking you to look at what your programs are doing to us ordinary people."

In my riding of Oakwood the majority of people are middle-income, working-class people who say to me to please let you know that they want to be taken into consideration.

What was very upsetting to the people of Oakwood, one of the first things that was announced by this government, was that a project they were banking on to rejuvenate the city of York, the Eglinton subway, was unceremoniously taken from them without any kind of consultation. They cut the subway out from underneath the people of York without any regard to what that meant to the future of my community — an arbitrary cut. There was no report, no analysis. I said to the Minister of Transportation, "On what basis did you cut the Eglinton subway?" His response to me in estimates was, "One of the Metro councillors told me to do it." You cut a \$750-million project and the answer is that one of the Metro councillors said you should cut it. How can you make —

**Mr Stockwell:** We missed that.

**Mr Colle:** Yes. It was Howard Moscoe.

How could you make a decision of this magnitude on the basis of hearsay? If the minister and the government had said, "Listen, we've done this analysis, here's the business case for and against and this is why we're going to do it" — instead, it was done.

**Mr Stockwell:** It was never an analysis. We didn't have any money.

**Mr Colle:** The problem is that the impact of this type of thing is devastating the community. It's not only about transportation. An investment infrastructure of this nature means that other people will invest in the community. We had people ready to invest in fixing up their small stores; people were going to build small office buildings; people were going to fix up their homes. They had hope for that Eglinton corridor, and the subway was an affirmation that the government wasn't going to ignore them, that the government was going to try to encourage them and rebuild.

A plan that was approved by all governments was the civic centre in the city of York. We were going to build a node at Black Creek and Eglinton, but as the subway was taken away, we can't build anything there now. Black Creek and Eglinton is basically going to remain a wasteland. The subway would have made that viable. They bought the argument from the mayor of North York, who has a very persuasive argument. He said, "Listen, if you build the subway, people will invest and then you get money from the increased assessment, which

goes back to government." That was a good enough argument on Sheppard.

We had all the zoning in place along Eglinton, we had the density in place, yet that same argument didn't work on Eglinton. One thing we forget is that when people are working, no matter what level, especially on a salaried income, they pay taxes. That tax goes back to the government and does not just get lost in outer space. People working on these projects, just like the civil servants being cut, at least would have been putting money back into the economy by spending it. They also would be putting money back into the government in taxes, so it doesn't really hurt to do that.

I know this government is interested in encouraging economic development and confidence, but I'll tell you there is not a lot of confidence. If you talk to people in the retail sector, ordinary people, my friend who owns a haberdashery, he's got clothing, he said, "People are really uncertain." I'm sure in the gas stations across — never mind talking about high gas prices, they're talking about uncertainty.

I think the critical thing we've got to restore in this province is a sense of confidence in people that there won't be just a continuation of cuts, downsizing, streamlining, because certainly the big corporate sector has been doing it, and now we have a government that seems to be following the same agenda of downsizing for the sake of downsizing.

I would say it's critical to look at the end product, because if you keep on downsizing, you keep on downsizing, you keep on cutting back, what's the ultimate goal? What do you get at the end of this? What's the vision? What is the ultimate goal?

I would say to you and the members opposite that I think one of the essential goals of this government is to look after people who are falling between the cracks. The government has a role to look after those people. And those are people who for lack of luck, for the lack of — for sickness, need help, and those are the legitimate people who are suffering as a result of the continual cuts. Those are people, through no fault of their own — and a lot of them are seniors who are worried about the user fees this government is riding on, and that's the other aspect of this budget which is very, very worrisome to them.

In Toronto, we've seen TTC fares go up for seniors 43%. We've seen student fares go up 43%. On June 1, I think, there's going to be user fees on drugs for the first time. In Toronto now, they're talking about this new fee on all burglar alarms, that if your burglar alarm goes off, they're going to charge you 70 bucks a pop.

We're seeing what's happening to the police on this budget. The fact is that this government passed down a 43% cut to municipalities. That means municipalities are going to be scrambling for money. One of the areas they're scrambling for money in is certainly going to be policing.

I know in Toronto, the Metropolitan Toronto Police, now the major crime unit is down to one third of its size from a couple of years ago. The youth bureau has been cut back to one third of its former size. The major fraud squad is down to one third of its former size. So in Metro



we're seeing the impact of constraints and cutbacks and it's going to have an impact on policing.

That's why I guess the Solicitor General's got his white paper where he's encouraging police to hawk T-shirts, sell cups, mugs to make money for the police. We saw what happened in the city of Ottawa where the police could not finish an investigation in a car theft ring. They had to go hat in hand to the car dealers. The car dealers had to pitch in \$15,000 to finish off the investigation.

Ultimately, this is what this agenda results in if you don't look at the human impact of your decision, and that is why I think what you've got to do is to say, is it worth going into this tax cut at this point in time, considering the debt, the deficit and the impact it's going to have on consumers, their jobs and their sense of security?

I think this is one reason why you candy-coated this announcement last week, because you knew that people were beginning to be very uneasy about your agenda. They were starting to tell you that they were looking for something positive, because all they've heard is threats of more cuts and continual cuts.

I think this budget is going to be your easiest budget. This is basically the first small step. It's a good news — as we say, it's a lob ball. The next one and the one afterward we'll see what you can really do when the next two budget come down.

**The Deputy Speaker:** Comments and questions?

**Mrs Boyd:** I want to say to the member how much I appreciate his talk this afternoon and really outlining what this budget means for the people of his riding. That of course is what all of us are trying to tell the government members and to warn the government members: that the kinds of concerns we're bringing forward from our constituents, you must be hearing from yours, and if you're not bringing them forward to the government, that is a very serious matter.

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The issue of the lost investment in the city of York is one that is particularly poignant at this time when all of us are aware of a by-election going on and all of us are aware of the effects of the decisions of this government, particularly with respect to the subway, on the job prospects of people in that city, not just the immediate jobs, and of course those are important, but the jobs that will be created because of the economic boost the subway would have given to the city of York.

The member for Oakwood is quite right to identify that cut, which of course was not made in this particular budget explicitly, as were none of the cuts, but was made as one of the financial statements earlier in the year. That is the other point that I would agree with him on: that the government has taken a position where it is trying to trick the people of Ontario into seeing this as a good news budget. They have tried to hide the effect of the cuts and the reality of the cuts in the budget that they've presented by glossing over them with cost reductions that have been done and savings that have been done before. "Savings" are coming to mean very real job loss, home loss and family loss to people in this province. You can only fool all of the people some of the time.

**The Deputy Speaker:** Comments and questions? The Chair recognizes the member for Durham East.

**Mr John O'Toole (Durham East):** I appreciate that recognition on this last day of this little session.

In response to the member for Oakwood, the Liberal Party, I just want to draw to his attention that the Liberal red book did promise to balance the budget, which means they were going to have to eliminate program spending. You would have been very criticized had you had the opportunity to form the government. The people rejected that. They rejected it fundamentally because they didn't believe you would deliver. What's new about this plan is that we are actually doing what we said.

I also want to draw to your attention that in your red book you promised to reduce taxes, to cut taxes. Fundamentally, you partially felt that you could deliver on a plan very much similar to the plan that we've delivered on. The only difference is, I don't think you ever would have delivered it.

I want to draw to your attention the importance of the economy. Supply-side economics is a fundamental change. You made a reference to John Kenneth Galbraith, who kind of represents your idealistic what I would call old-style economics, that governments supply growth. That kind of reform of economics has gone by way of the board.

There are 21 economies in the world and North America that are responding to what they call the Laffer curve. The Laffer curve realizes that there's an optimization of taxation to optimize revenue. It's important to understand that what worked 30 or 40 years ago is not working today. The economy and globalization require that you have a high consumer participation in any recovery.

If you look at the Canadian Federation of Independent Business and other small business spokespersons, they clearly recognize that this is indeed one of the stimuli, along with a lot of other regulation reviews that are contingent within our budget recommendations as well. So there's a lot to be said, a lot to be looked at.

**Mr Sergio:** I'm pleased to respond during the two minutes and to compliment the member for Oakwood on his very in-depth presentation. I think he has touched on most of the important issues with respect to transportation work and cuts and so forth.

He has also mentioned the latest announcement by the government that now they are willing, in order to raise more money because they need so much money to cover up for the 30%, to introduce the so-called slot machines. They have given them a very technical term, such as video lottery terminals, which the people of course are not familiar with, but they are slot machines.

The fact is that, as with all the other things they have introduced, they have not conducted in-depth studies of the implications that the installation of 15,000, 20,000 lottery machines will have on the social fabric, the social life of the people of Ontario.

It's sad to see that the Premier, during the campaign, said he was very much troubled to see that the government would be taking money from the proposed Windsor casino. And here we go, we see a government that is addicted to trying to get money from anywhere, any



source, in any manner it can, because if there is one thing they want to do, it is to keep their promise of refunding 30% to the people of Ontario. This will not create jobs. It's sad to see that the government, without consultation, without communication, without any hearing whatsoever, is willing to go ahead and install mini-casinos practically at every corner store. I think the social consequences will be enormous for the people of Ontario.

**Mr Stockwell:** I want to talk briefly about the member for Oakwood. I know he was a member of the Metropolitan Toronto council and he spent some time at the TTC, where he learned, I think, quite a bit about rapid transportation issues within Metropolitan Toronto, and probably issues that affect all major urban centres around the world.

The fundamental problem we were faced with in this government was an expansion of that TTC, and I'd really be interested in hearing your response to this. I know the issues we're faced with to some degree, I believe. You were having a very difficult time maintaining your present level of service. Your level of service was decreasing, your ridership was going down, the cost of riding the TTC was going up. It's in a very, very strange state today, the TTC, as opposed to what it was for a couple of decades. It's in bad straits.

The concern this government had and I personally spoke about in opposition — I was never in favour of the four-subway plan; I was never in favour of the two-subway plan; quite frankly, I was never in favour of the one-subway plan. I think before the TTC can begin to expand, to talk about expansion, they're going to have to consolidate. They're going to have to start providing a good service like they used to in the 1970s and 1980s which attracted ridership at a reasonable cost. It's gone away from that. It's talked about expansion and building subways here, there and everywhere. Even the manager of the TTC, Mr Gunn, has suggested that any expansion of the TTC today is a mistake. We can't afford to maintain what we've already built in this city.

I say to the member for Oakwood, I know you're from the city of York and I know the people in the city of York wanted the Eglinton line. I'm from Etobicoke, right next door. We wanted it too. But it's fiscal folly to stand in your place and tell transportation associations to continue to build capital projects they can't operate. I'm very surprised, with your history and your experience, that that's what you're suggesting.

**The Deputy Speaker:** The member for Oakwood has two minutes to respond.

**Mr Colle:** I want to thank the member for Durham East for some very thoughtful comments, and very legitimate input from the member for Etobicoke West and the member for London Centre, and also my colleague from Yorkview.

We've got such limited time, but just briefly to the member for Durham East, you say the old style economics aren't working, going back to John Maynard Keynes, going back to the past. The trouble is that this government is going back to the time of Adam Smith. You're going back to the 1760s with the invisible hand. In terms of economics and who's in vogue now, I think there's almost a circular thing: what goes around, comes

around. Eventually, we'll be back to Keynes again or to John Galbraith.

**Mr Rob Sampson (Mississauga West):** That was the problem.

**Mr Colle:** The same thing almost, though.

There were so many columns about the budget. One of them in fact said that actually this budget is a Keynesian budget because what you're doing is using government money to stimulate jobs. So it's the same thing the NDP used to do and the Liberals used to do. You're doing it but you're calling it a tax cut. That's the funny thing.

The other thing is — to my colleague for Etobicoke West — about the subways. We continually asked all the top civil servants up here at Queen's Park — the Peterson government civil servants or the NDP — we said: "Listen, have you got the money to do this? Can we fund the basic bread-and-butter streetcar lines and the subways? Is the money there? Is it going to be there?" I don't know how many times we asked them that, put it on paper, and they came and repeatedly said, "The money's there, you've got to do it; 100% guaranteed." In fact, I remember them coming down to Metro and almost twisting our arms when we wanted to go from four to two and said we were crazy that we only wanted to go with two: "You guys are nuts." In fact, your colleague called the members of Metro clowns because they didn't want to go with four.

I'm just wondering, as an elected official, who you believe then, because we asked the same legitimate questions. There's always an attempt to listen to so-called experts and where the money is, and they guaranteed it.

**The Deputy Speaker:** The member's time has expired. Further debate?

**Mr David Christopherson (Hamilton Centre):** It's my pleasure to join in the debate on the government's budget. I want to begin by focusing of course on the much-ballyhooed 30% tax cut and I want to talk about it in relation to job creation, more specifically actually the lack of job creation and the missing of this government's target and the breaking of one of its fundamental promises regarding the number of jobs it would create.

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First of all, the 30% tax cut makes for a much better news release and content for a speech than it does any real benefit to the average working person in this province.

It was actually quite amusing to watch some of the comments from people the day after the budget when they do the person on the street interviews. One of them I recall was asked, "Well, what are you going to do with your tax cut?" and the first thing that came to their mind was that they were going to pay off their mortgage and then decide what they would do with the rest of it. It struck me just how well the government has been able to sell this as a populist matter, and indeed it has gone over relatively well in that regard, and why not. If you said to anybody, "Do you want your taxes cut?" very few people are going to say no at first blush.

But the fact of the matter is that for the vast majority of working people in this province, they're going to be lucky to see \$5 or \$10 a week. We also know that the \$5 or \$10 a week is not only the largest part, it's the only



part of this government's job creation strategy. They have nothing else, nothing. The only thing they can point to when we ask them, "What are you doing to create jobs?" is to say the 30% tax cut will take care of everything.

The fact of the matter is that over half of the \$5 billion — \$5 billion, by the way, the government's going to have to borrow, because they don't have it — is going to go to the top 10% income earners. That's the reality, and I don't think it takes an economist to figure out that giving the top 10% income earners in this province over \$2.5 billion of that \$5 billion is going to be any kind of a job creation strategy. What it will do is allow some people perhaps to buy a larger speedboat or a larger cottage, or spend more time down in Florida, or put more money in their RRSP, but that in and of itself is not going to create jobs. The idea that somehow the \$5 or \$10 that the average working person's going to have will create jobs is equally mystical. That money will dissolve; \$5 or \$10 a week is not going to represent investment anywhere.

We know again most middle-class people, the vast majority of them, are going to be net losers because their property tax is going to have to go up. Why, you say, would that have to go up? We know the government has cut transfer payments to municipalities by 43% over two years, and anybody who follows their local politics will know that aldermen and councillors are scrambling, desperately trying to find a way of managing these cuts without slashing the services that quite frankly make our communities what they are. School boards are faced with deciding whether they're going to lay off teachers, jettison junior kindergarten or raise property taxes.

We know the government's game plan is, "Let those local councils and those local school boards make the decisions, and hopefully they'll take all the political heat." We certainly watch the ministers, one by one, pop up in their place when they're asked about this and say, "Oh, those cuts have got nothing to do with me." The minister says of the \$35-a-year average increase in education tax in my home town of Hamilton, "It has nothing to do with me; that was a local decision."

The truth of the matter is that the local school board was left with very few options, and while the government pretends that it's possible not to affect classrooms to handle their cuts, \$400 million from education — which any school board trustee, by the way, will tell you is the equivalent to \$1 billion a year, given the school year and the fiscal year they work under — you cannot cut that kind of money without affecting classroom education, which is a violation of a promise this government made.

I recently visited Westdale high school in the west end of Hamilton and met with students who had put on their own forum to talk about the politics of the day to talk about cuts and particularly how they affected education. This government ought to be worried. I was impressed. Those young people had their facts. They had their figures. They knew the realities. They were even telling me and those of us who were at this forum that they're using textbooks that still show Trudeau as the current Prime Minister. They're having to take their textbooks and hand them off to the next classroom that's starting to deal with their subject matter before they're done,

recognizing it's this old textbook to start with, but hand it off before they're finished. Otherwise, the next classroom has nothing. That's the reality.

*Interjections.*

**Mr Christopherson:** I see backbenchers rolling their heads and saying, "Oh no, that can't be true," or, "That needn't be." It is true. Go out into your high schools. Go on out there and talk to those kids and ask them how they feel about what you're doing with the education system, and then ask them if they feel that the \$5 or \$10 a week their parents are getting in this tax cut is a fair tradeoff. The fact of the matter is that by any measure people will realize this makes no sense. It may make good politics, but it doesn't make any sense. It certainly doesn't make any sense for the future of our education system.

This government talks about creating all these jobs; of course, they promised to deliver 725,000 jobs during their term in government. Their own budget documents, their own figures show they're going to create 287,000 jobs in three years. You're not going to make it. You're not going to make your target. Your own budget document shows clearly you're not going to reach your target.

*Interjections.*

**Mr Christopherson:** I hear the heckling and howls from the back benches. That's normally what happens when you touch an open wound. The fact of the matter is, you're not going to be able to reach your target. You're going to break another promise you made to the people of Ontario with regard to the number of jobs you said you were going to create. It's not going to happen.

**Mr Ron Johnson:** It is going to happen.

**The Speaker (Hon Allan K. McLean):** The member for Brantford.

**Mr Christopherson:** It's not going to happen, because this is all based on false economics. It does not make sense to say that dealing with the deficit and the debt is your top priority and then give a 30% reduction in income tax. For most working families, that's the same as being behind in a couple of mortgage payments or in your rent and having your credit cards maxed out, and then the first thing you do after you make the decision to deal with those debts is to decide you're going to work one day a week less. It's no different. It makes no sense.

Government members know that economists as well as bond-rating agencies have publicly, on the record, said this makes no sense in terms of dealing with the deficit. Their kindred soul, as was mentioned by a previous speaker, in Alberta, Ralph Klein, said it makes no sense. It doesn't make any sense. All you're doing is taking care of your very rich pals, and at the end of the day this will be very, very clear to the people of Ontario.

1750

In dealing with jobs, further, we know that another one of the solutions this government has to problems they see is workfare. I can't think of anything that's more insidious than the idea that the state would be forcing people to perform labour so they can eke out an existence in this province. That's what you're doing. You can carve it up any way you want; you can slice it up any way you want. The fact of the matter is you're talking about forced labour.



On the same day a government member asks a question of the social services minister about workfare and what kind of jobs he would be looking at these people doing, we have the Minister of Northern Development having to answer for almost 1,000 jobs he has eliminated across the province.

How is that supposed to be good for the province? It escapes me and escapes most of us on this side of the House. The fact of the matter is that was a mean-spirited, devious, dangerous issue to run on. Ten years ago, you could not have run on that. You'd have gotten forced and laughed off the stage. But the times being such as they are, with the pendulum swinging to the right, you were able to pull it off, and at a time when people are looking for someone to blame, that made an easy crowd.

We all remember with vivid colour memories the pride this government took in standing up right after they were elected and announcing they were cutting from the poorest people in this province 22% of their income. You didn't do that to anyone else.

**Mr O'Toole:** Now they have jobs.

**Mr Christopherson:** I hear one of the members in the back, I think from Durham East, saying, "Now they have jobs." What kind of jobs do they have? See, that's going to be your answer when you deal with workfare. You're going to say, "We've put people to work." You've put them to work forcing them just to survive in this province, a concept that we haven't seen — when did we last hear about this? During the Depression. Similar circumstances, and it was viewed in the same light.

I have no doubt in my mind that down the road, and it might take a generation or two, this government will be held up as an example of what you have to be fearful of when a right-wing agenda takes hold in a province during a time of economic recession.

The only other comparison is Mitch Hepburn, and Bennett federally, and what they did. That's exactly what's happening now. It took other governments to come in after that and begin to rebuild and move forward, rather than moving backwards, which is exactly what this government is doing.

In fact, when we're talking about workfare, I think it says a lot when we have the Minister of Community and Social Services saying publicly that he will fiscally punish any community that does not accept workfare.

**Mr Ron Johnson:** Hear, hear.

**Mr Christopherson:** I hear members in the back, the member for Brantford, saying, "Hear, hear." What that tells me is that there's an awful lot of communities that are very uncomfortable with this. Many of them are adamantly opposed. I see what the labour councils are doing and I think that's an excellent idea, but the fact of the matter is, those councils don't want workfare in their communities because they know what it means. But they're being forced under threat of fiscal annihilation, because they could not survive the suffering of the kind of cutbacks the minister is threatening them with.

While I'm on that point, I don't think — in fact, I know we have never seen a government democratically elected that has put the fear of God into people and organizations the way you have. There are organizations out there that are too terrified to speak out because

they're worried about recrimination. They're thinking, "Whatever little bit of money we've got left after you've done your massive cutting we can't afford to lose, so we'd better stay quiet."

That's what's going on out there. There are individuals out there, there are seniors that are terrified. They're worried about how they're going to survive in the future. Anybody who's living in any kind of social housing is worried about what the future means for them. This government has shown no compassion for anything other than the bottom line.

Today in this House we debated a resolution introduced by my colleague from London Centre, the Ontarians with Disabilities Act. What we know is that they're great on the words, because the minister stands up and mouths a lot of platitudes about caring for the disabled.

**Mrs Janet Ecker (Durham West):** Two hundred million bucks on child care is just words?

**The Speaker:** The member for Durham West, come to order.

**Mr Christopherson:** But the fact is when we separate the words from the deeds, what do we have? We have a government that came into power and they eliminated the Anti-Racism Secretariat because that wasn't a priority. That's not important; that's not the people this government represents.

They eliminated the employment equity law, a major step forward in recognizing that there are systemic barriers for people in our communities, and in such a diversified community it's not the radical thought that this government likes to think it was; it was a decent, progressive thing to do, to recognize there are things that need to be fixed. That's what you did.

The Advocacy Act, in many cases dealing with elderly disabled, you eliminated that one too, and then with great fanfare in this budget said, "Well, we put \$3 million towards some phone line" or something. That's after you cut \$25 million out of money that was supporting the Advocacy Act. That's your track record. That's your track record on the disabled.

What about disabled workers? Disabled workers are a particular target for this government. We know that the reform of WCB is meant to cut back on workers' ability to qualify for WCB when they're injured on the job through no fault of their own. You've already said you're going to cut their benefits by 5%, but oh, you're going to reduce the assessment rate by 5% also.

*Interjection.*

**The Speaker:** The member for Etobicoke-Rexdale.

**Mr Christopherson:** That's the message that your actions tell the people of Ontario around the issue of the disabled. That's what you've done, not what you've said, and the more that people see —

**Mr John Hastings (Etobicoke-Rexdale):** One of the worst bureaucracies around.

**The Speaker:** Order. The member for Etobicoke-Rexdale is continuously out of order and I won't warn him again.

**Mr Christopherson:** It wasn't really bothering me. I just take it from where it was coming and move forward. I don't mind thoughtful interruptions and witticisms and

quips; in fact I quite enjoy them. I don't ever hear those coming from the member you've just had to rein in.

I left off saying that this government's record in terms of what they talk about and what they do tells the real story. That does take a while to get out, and certainly it takes a while to get past the headlines that say "30% Tax Cut," "Get Government Off Your Back," "Smaller Government Is Always Better." Those are the simplistic themes that this government puts forward, but as our communities, street by street and project by project, are dismantled and slashed and set aside and pushed to the history books, people will begin to see the price of that 30% tax cut.

I want to end for today, and I'll pick up again the week after next, by saying that people will eventually feel the \$8 billion that you cut from public spending, \$8

billion that you announced from the time you took power until you brought in your budget, and you brought in just what you consider to be the good news, the 30% tax cut, plus a few little dollars here and there that represent a mere fraction of what you've already taken away.

Once those \$8 billion start to take hold, I believe very, very clearly that the majority of Ontarians will see that this is strictly a smoke-and-mirrors game, that this government is not here to represent the majority of people. They're here to represent their very wealthy, privileged friends. When that happens, that's the day we'll have ourselves a new government.

**The Speaker:** It being almost 6 of the clock, this House stands adjourned until Monday, May 27 at 1:30 of the clock.

*The House adjourned at 1800.*

## ERRATUM

| No. | Page | Column | Line | Should read:                                    |
|-----|------|--------|------|---|
| 75  | 2985 | 1      | 19   | Dubin are as concerned as they are. You can run |



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ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO**

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Speaker / Président: Hon / L'hon Allan K. McLean  
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|---------------------------------|--|--|--|
| Algoma                          | Wildman, Bud (ND) Interim leader of the New Democratic Party / Chef par intérim du Nouveau Parti démocratique  | Hamilton West / -Ouest                             | Ross, Lillian (PC)   |
| Algoma-Manitoulin               | Brown, Michael A. (L)  | Hastings-Peterborough                              | Danford, Harry (PC)  |
| Beaches-Woodbine                | Lankin, Frances (ND)   | High Park-Swansea                                  | Shea, Derwyn (PC)  |
| Brampton North / -Nord          | Spina, Joseph (PC)   | Huron  | Johns, Helen (PC)  |
| Brampton South / -Sud           | Clement, Tony (PC)   | Kenora   | Miclash, Frank (L)   |
| Brant-Haldimand                 | Preston, Peter L. (PC)   | Kingston and The Islands /<br>Kingston et Les îles | Gerretsen, John (L)  |
| Brantford                       | Johnson, Ron (PC)  | Kitchener  | Wettlaufer, Wayne (PC)   |
| Bruce                           | Fisher, Barb (PC)  | Kitchener-Wilmot                                   | Leadston, Gary L. (PC)   |
| Burlington South / -Sud         | <b>Jackson, Hon / L'hon Cameron</b> (PC) Minister without Portfolio (Workers' Compensation Board) / ministre sans portefeuille, ministre responsable de la Commission des accidents du travail | Lake Nipigon / Lac-Nipigon                         | Pouliot, Gilles (ND)   |
| Cambridge                       | Martiniuk, Gerry (PC)  | Lambton  | Beaubien, Marcel (PC)  |
| Carleton                        | <b>Sterling, Hon / L'hon Norman W.</b> (PC) Minister of Consumer and Commercial Relations / ministre de la Consommation et du Commerce   | Lanark-Renfrew                                     | Jordan, Leo (PC)   |
| Carleton East / -Est            | Morin, Gilles E. (L)   | Lawrence   | Cordiano, Joseph (L)   |
| Chatham-Kent                    | Carroll, Jack (PC)   | Leeds-Grenville                                    | <b>Runciman, Hon / L'hon Robert W.</b> (PC) Solicitor General and Minister of Correctional Services / solliciteur général et ministre des Services correctionnels  |
| Cochrane North / -Nord          | Wood, Len (ND)   | Lincoln  | Sheehan, Frank (PC)  |
| Cochrane South / -Sud           | Bisson, Gilles (ND)  | London Centre / -Centre                            | Boyd, Marion (ND)  |
| Cornwall                        | Cleary, John C. (L)  | London North / -Nord                               | <b>Cunningham, Hon / L'hon Dianne</b> (PC) Minister of Intergovernmental Affairs, minister responsible for women's issues / ministre des Affaires intergouvernementales, ministre déléguée à la Condition féminine |
| Don Mills                       | <b>Johnson, Hon / L'hon David</b> (PC) Chair of the Management Board of Cabinet / président du Conseil de gestion  | London South / -Sud                                | Wood, Bob (PC)   |
| Dovercourt                      | Silipo, Tony (ND)  | Markham  | <b>Tsubouchi, Hon / L'hon David H.</b> (PC) Minister of Community and Social Services / ministre des Services sociaux et communautaires  |
| Downsview                       | Castrilli, Annamaria (L)   | Middlesex  | Smith, Bruce (PC)  |
| Dufferin-Peel                   | Tilson, David (PC)   | Mississauga East / -Est                            | DeFaria, Carl (PC)   |
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| Elgin                           | North, Peter (Ind)   | Niagara Falls                                      | Maves, Bart (PC)   |
| Essex-Kent                      | Hoy, Pat (L)   | Niagara South / -Sud                               | Hudak, Tim (PC)  |
| Essex South / -Sud              | Crozier, Bruce (L)   | Nickel Belt  | Laughren, Floyd (ND)   |
| Etobicoke-Humber                | Ford, Douglas B. (PC)  | Nipissing  | <b>Harris, Hon / L'hon Michael D.</b> (PC) Premier and President of the Executive Council / premier ministre et président du Conseil exécutif  |
| Etobicoke-Lakeshore             | Kells, Morley (PC)   | Norfolk  | Barrett, Toby (PC)   |
| Etobicoke-Rexdale               | Hastings, John (PC)  | Northumberland                                     | Galt, Doug (PC)  |
| Etobicoke West / -Ouest         | Stockwell, Chris (PC)  | Oakville South / -Sud                              | Carr, Gary (PC)  |
| Fort William                    | McLeod, Lyn (L) Leader of the Opposition / chef de l'opposition  | Oakwood  | Colle, Mike (L)  |
| Fort York                       | Marchese, Rosario (ND)   | Oriole   | Caplan, Elinor (L)   |
| Frontenac-Addington             | Vankoughnet, Bill (Ind)  | Oshawa   | Ouellette, Jerry J. (PC)   |
| Grey-Owen Sound                 | Murdoch, Bill (PC)   | Ottawa Centre / -Centre                            | Patten, Richard (L)  |
| Guelph                          | <b>Elliott, Hon / L'hon Brenda</b> (PC) Minister of Environment and Energy / ministre de l'Environnement et de l'Énergie   | Ottawa East / -Est                                 | Grandmaitre, Bernard (L)   |
| Halton Centre / -Centre         | Young, Terence H. (PC)   | Ottawa-Rideau                                      | Guzzo, Garry J. (PC)   |
| Halton North / -Nord            | Chudleigh, Ted (PC)  | Ottawa South / -Sud                                | McGuinty, Dalton (L)   |
| Hamilton Centre / -Centre       | Christopherson, David (ND)   | Ottawa West / -Ouest                               | Chiarelli, Robert (L)  |
| Hamilton East / -Est            | Agostino, Dominic (L)  | Oxford   | Hardeman, Ernie (PC)   |
| Hamilton Mountain               | Pettit, Trevor (PC)  | Parkdale   | Ruprecht, Tony (L)   |

| Constituency<br>Circonscription  | Member/Party<br>Député(e) / Parti  | Constituency<br>Circonscription | Member/Party<br>Député(e) / Parti  |
|--|--|---------------------------------|--|
| Parry Sound  | <b>Eves, Hon / L'hon Ernie L.</b> (PC) Deputy Premier, Minister of Finance, government House leader / vice-premier ministre, ministre des Finances, leader parlementaire du gouvernement   | Scarborough North / -Nord       | Curling, Alvin (L)   |
| Perth  | Johnson, Bert (PC)   | Scarborough West / -Ouest       | Brown, Jim (PC)  |
| Peterborough   | Stewart, R. Gary (PC)  | Simcoe Centre / -Centre         | Tascona, Joseph N. (PC)  |
| Port Arthur  | Gravelle, Michael (L)  | Simcoe East / -Est              | <b>McLean, Hon / L'hon Allan K.</b> (PC) Speaker / Président   |
| Prescott and Russell /<br>Prescott et Russell                                      | Lalonde, Jean-Marc (L)   | Simcoe West / -Ouest            | <b>Wilson, Hon / L'hon Jim</b> (PC) Minister of Health / ministre de la Santé  |
| Prince Edward-Lennox-<br>South Hastings /<br>Prince Edward-Lennox-<br>Hastings-Sud | Fox, Gary (PC)   | Sudbury                         | Bartolucci, Rick (L)   |
| Quinte   | Rollins, E.J. Douglas (PC)   | Sudbury East / -Est             | Martel, Shelley (ND)   |
| Rainy River  | Hampton, Howard (ND)   | Timiskaming                     | Ramsay, David (L)  |
| Renfrew North / -Nord  | Conway, Sean G. (L)  | Victoria-Haliburton             | <b>Hodgson, Hon / L'hon Chris</b> (PC) Minister of Natural Resources, Minister of Northern Development and Mines / ministre des Richesses naturelles, ministre du Développement du Nord et des Mines |
| Riverdale  | Churley, Marilyn (ND)  | Waterloo North / -Nord          | <b>Witmer, Hon / L'hon Elizabeth</b> (PC) Minister of Labour / ministre du Travail   |
| S-D-G & East Grenville /<br>S-D-G et Grenville-Est                                 | <b>Villeneuve, Hon / L'hon Noble</b> (PC) Minister of Agriculture, Food and Rural Affairs, minister responsible for francophone affairs / ministre de l'Agriculture, de l'Alimentation et des Affaires rurales, ministre délégué aux Affaires francophones | Welland-Thorold                 | Kormos, Peter (ND)   |
| St Andrew-St Patrick   | Bassett, Isabel (PC)   | Wellington                      | Arnott, Ted (PC)   |
| St Catharines  | Bradley, James J. (L)  | Wentworth East / -Est           | Doyle, Ed (PC)   |
| St Catharines-Brock  | Froese, Tom (PC)   | Wentworth North / -Nord         | Skarica, Toni (PC)   |
| St George-St David   | <b>Leach, Hon / L'hon Al</b> (PC) Minister of Municipal Affairs and Housing / ministre des Affaires municipales et du Logement   | Willowdale                      | <b>Harnick, Hon / L'hon Charles</b> (PC) Attorney General, minister responsible for native affairs / procureur général, ministre délégué aux Affaires autochtones                                    |
| Samia  | Boushy, Dave (PC)  | Wilson Heights                  | Kwinter, Monte (L)   |
| Sault Ste Marie /<br>Sault-Sainte-Marie  | Martin, Tony (ND)  | Windsor-Riverside               | Cooke, David S. (ND)   |
| Scarborough-Agincourt  | Phillips, Gerry (L)  | Windsor-Sandwich                | Pupatello, Sandra (L)  |
| Scarborough Centre / -Centre   | Newman, Dan (PC)   | Windsor-Walkerville             | Duncan, Dwight (L)   |
| Scarborough East / -Est  | Gilchrist, Steve (PC)  | York Centre / -Centre           | <b>Palladini, Hon / L'hon Al</b> (PC) Minister of Transportation / ministre des Transports   |
| Scarborough-Ellesmere  | <b>Mushinski, Hon / L'hon Marilyn</b> (PC) Minister of Citizenship, Culture and Recreation / ministre des Affaires civiques, de la Culture et des Loisirs  | York East / -Est                | Parker, John L. (PC)   |
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A list arranged by members' surnames and including all responsibilities of each member appears in the first and last issues of each session and on the first Monday of each month.

Une liste alphabétique des noms des députés, comprenant toutes les responsabilités de chaque député, figure dans les premier et dernier numéros de chaque session et le premier lundi de chaque mois.



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## Legislative Assembly of Ontario

First Session, 36th Parliament

## Assemblée législative de l'Ontario

Première session, 36<sup>e</sup> législature

# Official Report of Debates (Hansard)

Monday 27 May 1996

# Journal des débats (Hansard)

Lundi 27 mai 1996



Speaker  
Honourable Allan K. McLean

Clerk  
Claude L. DesRosiers

Président  
L'honorable Allan K. McLean

Greffier  
Claude L. DesRosiers



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# LEGISLATIVE ASSEMBLY OF ONTARIO

Monday 27 May 1996

# ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

Lundi 27 mai 1996

*The House met at 1333.  
Prayers.*

## MEMBERS' STATEMENTS

### MICHAEL SMITH

**Mr Frank Miclash (Kenora):** I rise today to ask all members in the House to join me on congratulating Kenora's Michael Smith on breaking his own Canadian decathlon record in winning the gold medal at the Gotzis International Decathlon held in Austria this past weekend.

Winning this international event for a second time in his 10-year athletic career has ensured Michael will be a strong contender at the Atlanta Olympics later this year. Sitting third heading into yesterday's final five events, Michael recorded a personal best of 71.22 metres in the javelin and 52.90 in the discus. During the two-day event, Michael achieved four personal best scores.

Michael has a long list of accomplishments, including a gold medal at the 1990 Auckland Commonwealth Games, a silver at the 1991 world championships and a bronze at last year's world championship. Kenora residents and indeed all of northwestern Ontario are very proud of Michael's accomplishments. Michael has not only put the town of Kenora on the worldwide map, but has been a source of inspiration to many young athletes throughout the world.

On behalf of Michael's parents, Bert and Bernice, his sisters, Michelle and Danielle, and all northern Ontario residents, we wish him all the very best in his attempt to bring home the gold at this year's Atlanta Olympics.

### WORKFARE

**Mrs Marion Boyd (London Centre):** One of the issues that has been mentioned a number of times in this Legislature and needs to be mentioned again is the plight of parents who are trying to care for disabled children in their homes. I have had a number of phone calls from parents whose children are severely ill, whose conditions include seizures and fevers and many unexpected events, and for these parents the care of their children is paramount. Many of them, as a result, are unable to work outside the home.

One such family has a child, Justin. Justin's parents contacted me to ask a new question, and I'd like to ask that in the Legislature today: When parents are looking after severely disabled children and are unable to hold a job as a result of a 24-hour, seven-day-a-week shift, will they be required to go on workfare? This is a very good question. I couldn't answer it. I'm hoping the government will answer it soon.

This is a government that, time after time, says it is not attacking the disabled, it is not further disabling them, but the cost of keeping these severely disabled children in their homes very often is the ability of parents to get paid work or to get the training they need to have that paid work.

Today, in Justin's name, I'm asking the government to consider these parents and these children in formulating policy around workfare.

### PAUL QUANTRILL

**Mr Doug Galt (Northumberland):** It is not often that a member of the Toronto Blue Jays hails from Ontario, much less from the riding of Northumberland, but I am pleased to point out to this House that pitcher Paul Quantrill, one of the Blue Jays' most recent acquisitions, does indeed come from the town of Port Hope, which is in my riding.

Last season Mr Quantrill led the Philadelphia Phillies with a career-high 11 wins, 29 starts and 179 innings pitched. He was second in the club, with a career high of 103 strikeouts. He finished seventh in the National League and had seven starts without a walk and nine with just one. No wonder the Blue Jays wanted him.

Mr Quantrill joined the Toronto team on December 6 last year, and although he got off to a slow start pitching his first game as a Blue Jay, he is now certainly picking up steam. He enjoyed his first victory as a Blue Jay on May 9 by pitching five and one third strong innings of a 5-2 win over the Texas Rangers. Given his proven track record, I'm sure we'll see many more wins from Mr Quantrill in the season ahead.

Mr Quantrill is a native of Port Hope, where his father, John Quantrill, operates a large new car dealership. We're all very proud of Paul and his accomplishments and we wish him luck and much success in his major league baseball career.

### ENVIRONMENTAL LABORATORY

**Mr Michael Gravelle (Port Arthur):** This government's headlong rush to eliminate jobs in northern Ontario has gone too far. The recent decision to close the Ministry of Environment's water testing and air quality lab in Thunder Bay is quite simply an unconscionable act which will threaten public safety in the most basic way.

For over 25 years, the Thunder Bay lab has provided essential service to the entire northern area of the province — analysing drinking water, industrial waste, sewage, rivers and lakes, soil vegetation and fish tissue. The air and water quality of 83 northern Ontario communities is tested in this lab, tested efficiently and quickly, with safety always as the top priority.



Now the government is telling us that this is a service that does not need to be provided by the government, that it is no longer its responsibility to ensure that our drinking water is safe. What has gone wrong here? How can the government truly expect the people of northern Ontario to accept this decision?

This past weekend, Professor David Pearson of Sudbury's Laurentian University urged the government to rethink this decision. In his words, "Our politicians need to realize that monitoring the environment is a basic service to the public."

The people of Thunder Bay need to know whether Boulevard Lake and Chippewa Park are safe to swim in. All northern communities need to know that the responsibility for air and water quality is one the government believes in. I call on the Minister of Environment and Energy to recognize the mistake she has made and reverse her decision today.

1340

#### WORKERS' COMPENSATION

**Mr Howard Hampton (Rainy River):** I'm going to read from an Internet release, a media release that is run on the WCB home page, dated March 26, 1996. It says that internal controls have led to the charge of fraud against a worker for defrauding the WCB. It says that this worker is alleged to have not reported income earned while collecting WCB benefits and then goes on to name the worker.

How incredible. This worker hasn't been convicted of anything. There's been no proof brought against him. He's only been charged with an offence, and yet the WCB is running a release talking about how this individual has been charged with an offence.

What I find so incredible about this is there are documented cases where companies have in fact defrauded the WCB. I don't see the government, or the WCB under this government, out there with a media release announcing that company X or company Y has been charged and convicted with defrauding the WCB. There have also been cases where WCB's own employees have been found guilty of defrauding the WCB. I don't see the government out there running media releases trumpeting the name of this person who has been convicted. Yet if it's an injured worker, the government suddenly runs a media release.

#### OPTIMIST IN ACTION WEEK

**Mr Joseph Spina (Brampton North):** It gives me great pleasure to announce the provincial proclamation for the week of May 26 to June 1 as Optimist in Action Week.

The Optimist organization was formed in 1919 in Louisville, Kentucky. The original motto was "Friend of the Delinquent Boy." In 1924, the first Canadian club was formed here in Toronto. As the organization grew and more programs were added, the need to service all youth was mandated, and the new motto now reads "Friends of Youth."

Every day, an Optimist member strives to set a positive example for our youth. Every year, foundations of

character are built for our six million young people. It is all possible thanks to the extraordinary efforts of hundreds of thousands of Optimists found around the world. Optimist Day in Action is a celebration throughout the world.

For over 77 years, the Optimists have found ways to help young people feel better about themselves, learn, be happy and build solid foundations of character.

The government of the province of Ontario recognizes the needs which are being met by the Optimist clubs on behalf of our youth. Their commitments are helping to shape our youth into the future leaders of our communities.

#### MEMBER'S MAILING

**Mr Michael A. Brown (Algoma-Manitoulin):** I rise today to let the Minister of Natural Resources and Northern Development and Mines know that it is completely improper for him to be using his ministerial budget to promote himself in his own riding.

Despite rules to the contrary, and a parliamentary tradition that ministers shall not use government resources to assist them politically in their ridings, Chris Hodgson has been using government equipment to send a mass fax of Tory propaganda to his constituents.

Shortly after the budget was released, a budget that slashed \$150 million and 2,100 employees from his Ministry of Natural Resources and millions from the Ministry of Northern Development and Mines, something that the Minister of Northern Development and Mines should not be proud of, the fax machine in the ministry began to roll, extolling the virtues of the budget.

Minister, I should not have to remind you that your job is to represent the people of Victoria-Haliburton here at Queen's Park, not the other way around. It is clear from the propaganda you were sending out of your ministry into your riding you have decided it's more important to represent Queen's Park in Victoria-Haliburton.

By the way, the next time you decide to send government propaganda into your riding, at least do it according to the rules. After the cuts your ministries have taken, I doubt they have the resources to take on the responsibility of your constituency office as well.

#### JUNIOR KINDERGARTEN

**Mr Gilles Pouliot (Lake Nipigon):** The Connell and Ponsford District School Area Board in my riding of Lake Nipigon is very concerned about this Tory government's decision to levy a 5% local education tax increase on boards in isolated communities that offer the junior kindergarten program. This is totally absurd.

Isolated school boards are funded quite differently than other boards in the province of Ontario. This government is taking away the right of isolated boards to provide the kind of education that meets the needs of its children. Effectively what you're doing is taking away the jurisdictional capacity of local school boards. If the school board wants to offer junior kindergarten and it is within the constraints of its budget, why can it not do so?

The school board, and only the school board, must decide whether local education taxes need to be increased



if the program is offered; not you, Minister of Education. So simply put, with respect to the minister, get off our backs.

### COLD TURKEY WEEK

**Mr Jim Flaherty (Durham Centre):** I rise today to inform my honourable colleagues about an initiative which took place in the fine riding of Durham Centre over the past week and a half. At Anderson Collegiate and Vocational Institute in Whitby students participated in Cold Turkey Week, a campaign to help students quit smoking and to help prevent others from starting smoking. I was proud to be the sponsor of that event.

At the outset the participants blew into a carbon monoxide detector provided by the Ontario Lung Association to register their level of lung contamination and were given a "Support Smoke-Free 100%" button by me. They then agreed to stay smoke-free for at least the duration of the week-long event, which culminated in an award ceremony held at lunch-hour on Tuesday, May 21.

Those students who stayed smoke-free as proved by the second test were presented with prizes, which included gift certificates for CDs. I would like to thank Campaign Action on Tobacco for its donations to the event. Of the 84 registered students, 37 were successful in staying smoke-free. That's just over 44%. Those are good results, a 25% increase over last year's scores.

I know that the other members of this House will join me in congratulating the staff and students of Anderson CVI for a job well done.

### LEGISLATIVE PAGES

**The Speaker (Hon Allan K. McLean):** Please join me in welcoming the fifth group of pages to serve the 36th Parliament of Ontario:

Timothy Bastedo, Muskoka-Georgian Bay; Mark Boushy, Sarnia; Victoria Cafik, Waterloo North; Catherine Clune-Taylor, Scarborough Centre; Sheri Cox, York East; Roman Dzioba, Ottawa Centre; Shannon Ibey, Rainy River; Jonathan James, Brampton South; Matthew Johnston, Halton Centre; Kevin Kingsbury, Grey-Owen Sound; Christopher Kirby, Algoma; Alison Lang, Markham; Kathryn Lee, Lambton; Michael LeSage, Hastings-Peterborough; Carly MacDonnell, Niagara Falls; John MacNevin, Windsor-Riverside; Melinda Marrs, Nipissing; Lamine Martindale, St Andrew-St Patrick; David Meyer, Wentworth North; Sarah Olmstead, Prince Edward-Lennox-South Hastings; Troy Savage, Carleton East; Corrin Smithson, Dufferin-Peel; Ashley Snell, St Catharines; Christine Warwick, Huron. Welcome.

1350

### STATEMENTS BY THE MINISTRY AND RESPONSES

#### HIGHWAY SAFETY

**Hon Al Palladini (Minister of Transportation):** I rise today to introduce legislation that will crack down on unsafe truck drivers and impaired drivers. This legislation will allow us to get tough against those drivers who

continue to compromise the safety of Ontario's highways. We are encouraging good driving and making it very clear that bad driving doesn't pay.

This legislation targets truck and bus drivers who drive unsafely or operate unsafe vehicles, it targets people who drink and drive and it targets people who have not been required to wear seatbelts.

A rise in truck-related safety offences has focused attention on the need for action against mechanical defects and the unsafe operation of commercial vehicles on Ontario highways. Inquests into two fatalities caused by wheels falling off large trucks recommended tougher sanctions against safety infractions. We are increasing the minimum fines for safety-related infractions to between \$200 and \$400 and increasing the maximum by 10 times, to \$20,000. Truck fines will no longer simply be a cost of doing business.

This bill also includes enabling legislation that will allow us to develop a review system for commercial drivers, including truck and bus drivers, in the near future. Together with the fines, these are strict penalties that will act as a strong deterrent to unsafe driving. These measures were first detailed in our road safety plan announced last fall. That plan focuses on three areas: enhancing enforcement, preventing drinking and driving and improving safety in the trucking industry.

This legislation also introduces administrative licence suspension, which is an immediate 90-day suspension for any driver registering over the legal blood alcohol count. I would like to thank my friend the Attorney General for his support and cooperation in making this possible. We will not tolerate impaired drivers. Administrative licence suspension has proven successful in other jurisdictions and will save lives in Ontario. As a result, a reinstatement fee of \$100 will apply when those suspended licences are reinstated, to cover the administrative costs.

This legislation will also make it more difficult to receive a seatbelt exemption.

This legislation finally will crack down on those who jeopardize highway safety.

**Mr Mike Colle (Oakwood):** The first question is, why did it take so long? For the last 10 months the basic message from safe trucking advocates, from your own front-line OPP officers was: "It's the fines. Increase the fines by making them meaningful." Why it would take 10 months to finally do that, when you were told specifically by front-line officers like Cam Woolley and Sergeant Mark Wolfe of the OPP — the truck troopers, as they're called — who said, "Increase the fines," is beyond belief.

Next, there's no reference at all to the trucking companies. The only reference is to truck drivers, to the front-line troops in the business. There's no mention of getting tough with trucking companies. We know the real problem with unsafe trucks on Ontario highways is that trucking companies are pushing their employees to put unsafe trucks on the road. Just-in-time delivery is what's causing the problem. Subsequently, the person holding the bag is the truck driver. He or she is being forced by the owners of these profit-making companies — not all of them, but certainly too many of them — and that's the root of the problem. There's no mention of it in this statement. I hope the legislation will have some mechan-



isms to hold trucking companies accountable for safety on our highways.

Another reference we have to make is to the people who have been advocates for safe trucking. As you know, a few months ago the OPP found that 75% of trucks that were stopped near Pickering were unsafe. How many front-line officers will be added to enforce these rules? How many more inspectors will be added, especially when 1,200 transportation department people have received layoff notices or are going to receive layoff notices? Who's going to do the enforcement? We know of the cutbacks in the OPP and the cutbacks in the Ministry of Transportation.

We are very discouraged if we look at what's been happening with another part of road safety: bus safety. Bill 39 has had second reading, and despite the requests of people who are involved with bus transportation — people who own companies are saying, "You have to be tougher with companies that own buses." They've asked for the minimum level of insurance to be raised to \$10 million. Instead, this government, in committee, refused that amendment. They keep the minimum insurance level about the same level as it is for an ordinary automobile, and that is not acceptable considering that you might have 40 to 50 passengers on a bus. This government has refused that amendment to make that minimum level higher.

The second thing this government is not doing in terms of safety on the roads is the whole issue about comprehensive safety audits. Again, in this bill the government is proposing, they refuse to have immediate safety audits before you get your licence for a bus, for instance. They are not listening to the busing companies that are saying, "Have the safety audit presented when you get your licence."

So we certainly support the minister finally listening to the safety advocates, listening to the front-line OPP officers, but you cannot take 10 months to do something which is staring you right in the face. I think what we have to ensure is that the enforcement is there, that there are more OPP officers assigned to inspection, that there are more inspection officers assigned, because all the new regulations in place are no darned good unless you have the front-line people who can enforce these regulations.

Again, the bottom line is that we also have to get a minister who's going to be tough with the trucking companies, because that's the root of the problem: letting trucking companies off the hook and putting all the pressure on the truck drivers, who again are victims in many cases.

**Mr James J. Bradley (St Catharines):** In the Ministry of Environment, one of the changes made was to make the board of directors and officers of the company personally responsible for pollution offences, and we found out pollution offences decreased quickly. This could be done in this particular instance, and I think you'd find the results positive.

**Mr Gilles Pouliot (Lake Nipigon):** We too welcome the announcement today. Like the Liberals have said, and we wish to echo their sentiment, it's about time, Minister.

I want to take you back to a year ago almost to the day. As soon as they took office, as soon as this minister

was sworn in, the wheels literally started to fall off the ministry. We've been urging the minister, vis-à-vis truck safety, to do something, and all the minister has done is shown his teeth. Don't show your teeth if you can't bite. It does fly as a contradiction.

Let me quote to you the mantra, the bible for the zealots opposite. On page 13 of the Common Sense Revolution, it says under transportation, "\$300 million will be trimmed from the transportation ministry's capital budget." On the one hand, the minister stands up today with great fanfare and trumpets an announcement which is meagre in consequence. It's a small thing. On the other hand, he trims \$300 million out of the capital budget which is directly related to safety. He spent the last two weeks advertising potholes, and he uses \$300 million in trimming. Stop advertising, Minister. Fix them.

He cuts the transfer payment to municipalities and talks about truck safety. He coached one of his ministers, one of his colleagues in this den of misery, to cut the OPP. He cut photo-radar. He advertises higher speed. He's insatiable, he's contradictory, and he wishes us to believe that by raising the fines, the truckers — it's always the driver; there's no shared onus; it's never the owner — will just start to slow down and do the job that the minister should be doing himself through funding. That's related to truck safety. So 1, 2, 3, 4, and add the winter maintenance, number 5.

**1400**

In my special part of Ontario Trans-Canada Highways 11 and 17 were shut down for more days than ever before, and this minister had the audacity to cut the winter maintenance budget. We ran out of bread in Manitouwadge. I guess you can always make some if there's some flour. The children in Marathon and Manitouwadge ran out of milk in this great province of Ontario because the winter budget had been cut and the main road, the lifeline, Trans-Canada Highway 17 was shut down for close to five days — unprecedented. He has to carry the guilt. He has to come clean. Today we're asking for a lot more than this drop in the bucket which serves the propaganda, the allure of this government.

The truck owners, the truck companies may die laughing. Show some courage, Minister. Stand up in your post like a sentry and tell them that you mean what you say and add some clout to the announcement.

#### VISITOR

**The Speaker (Hon Allan K. McLean):** I would like to advise the House that we have a special guest in the west lobby, the former Minister of Agriculture and Food, Mr Jack Riddell from Huron-Middlesex.

#### ORAL QUESTIONS

##### RENT REGULATION

**Mr Mike Colle (Oakwood):** A question for the Premier: The mayor of the city of Toronto has come here today asking why you have refused to meet with her on a number of occasions to discuss the concern she has



with the possible changes to or removal of rent controls from tenants all across Toronto, especially when over 60% of the residents of her city are tenants. You have said you would consult; you said you wanted to listen to people. Why would you not meet with the mayor of Toronto and Toronto city council?

**Hon Michael D. Harris (Premier):** Let me first of all assure the member that I have met with the mayor of Toronto on a number of occasions and continue to meet with her on a whole host of issues that concern her and the city of Toronto.

Let me further assure you that any changes that we may make to rent controls will be positive for tenants, far better than anything the Liberals had. Our commitment is that there will be no changes unless we have consulted, including with the mayor of Toronto and others who will have interests. Unless after that consultation we have something in place that we think will be better — we know it will be better than what the Liberals had because nothing could be worse than that, where we had 10%, 20%, 30%, 40% and 50% increases, but better even than what was left by and we inherited from the New Democratic Party.

The minister has been consulting with a number of people and we — the minister and the ministry — are in the process of evaluating all these proposals.

We're well aware of the concern of the mayor of Toronto in this area, and certainly not only the minister but the ministry and the Premier. We are happy to meet with her to discuss any of these issues, as we are on other issues that we meet with her about on a regular basis.

**Mr Colle:** The strange thing, though, is that the mayor of Toronto specifically asked for two meetings with you to discuss this concern she expresses on behalf of thousands of residents in Toronto. I still haven't heard from you why you refuse to meet with her on this issue of rent control, especially when it affects so many vulnerable seniors and people on fixed incomes. All this consulting isn't any good unless you meet on the specific issue of rent control. I hope you change your mind and meet with her. Will you change your mind and meet with Toronto council and the mayor and realize that it's important enough for you to meet with her?

**Hon Mr Harris:** I said I'd meet with her, and you want me to change my mind. I've got to get this straight now. I had a meeting scheduled with the mayor of Toronto. Unfortunately, there was a strike on, and though the picketers said, "We're happy to have you go through and meet with the Premier," Mayor Hall said, "No, I will not do that." Some of the mayors did come. Mayor Hall decided she would not at that particular time.

I can tell you that last Thursday the mayor met with the minister to discuss this very issue and it is the minister who has carriage of any positive changes for tenants in the area of rent review. I also indicated to you that I would be happy to meet with the mayor on any issue she wishes to discuss. If she wishes a specific meeting to discuss rent review, I am very happy to do that. So I hope you don't want me to change my mind and not meet with her.

**Mr Colle:** Talking about changing your mind: In the by-election in York South, the Tory candidate, in a last-

minute attempt to rescue himself, issued this pamphlet that says, "Rent control will continue." Am I to assume that this means that your government, Mr Premier, has now changed its mind again and will ensure that rent control legislation is protected and is left in place? Is this now the new position?

**Hon Mr Harris:** I might say that most of the criticism in the by-election was aimed at the failed Liberal rent control policies that were in place —

**Mr Colle:** You are the failed. Your guy failed.

**Hon Mr Harris:** I read all the literature in the by-election and I might say that in spite of the fact that your party was a disaster on rent controls, you had an excellent candidate, ran a good campaign and you won in spite of the dismal record that you have on rent control. Let me say that the pamphlet indicated —

*Interjection.*

**The Speaker (Hon Allan K. McLean):** Member for Hamilton East, quit hollering.

**Hon Mr Harris:** — what our position has always been, was in the last election, was pre-election, was post-election and was in this by-election. There'll be no changes to the failed rent control policies that are in place today until we have something better. So we have been working on coming up with something better even than was there in place for tenants when the NDP was there. Getting something better than the Liberals is easy; getting something better than the NDP is a little tougher but achievable. In the fullness of time, we'll come forward with that.

#### CROWN ATTORNEYS

**Ms Annamarie Castrilli (Downsview):** My question is for the Attorney General. Minister, there have been rumours at various times that you were planning on cutting the number of crown attorneys. You have repeatedly indicated that isn't the case. I refer, first, to the Toronto Sun article of January 23: "Attorney General Charles Harnick says he won't axe provincial crown prosecutors.... 'I have no such plan,'" says the minister.

In this very chamber on April 2, in answer to a question from our leader, you indicated, "What I have said is that there will be no cuts to crown attorneys until there is a reduction in caseload to warrant it." Yet in a speech to the crown attorneys' association last week, Minister, you indicated that in fact there would be cuts.

I wonder, sir, if you might indicate for us if there is a ministry action plan to lay off crown attorneys.

**Hon Charles Harnick (Attorney General, minister responsible for native affairs):** There is not a ministry action plan to lay off crown attorneys. There has been a plan developed that will be able to ensure that we are able to always prosecute serious crime and deal appropriately with less serious matters.

That is very contrary to the position of the former Liberal government, which caused 70,000 cases to be thrown out of court. At the same time as 70,000 cases were thrown out of court, and I'm talking about cases dealing with sexual assault, drunk driving and a whole myriad of very serious criminal cases, they were putting more money into the system. But unfortunately, they



weren't managing the system to ensure that they could make certain that all communities in this province could remain safe. By their mismanagement, 70,000 cases went out the door. What we are doing is developing a strategy and building on what the former government did with the investment strategy to ensure we are able to prosecute serious crime.

1410

**Ms Castrilli:** Obviously the Attorney General has no plan, and yet I go back and quote from the speech of the Attorney General himself: "There have been inaccurate rumours of mass layoffs of crown attorneys. I can give you my personal guarantee that there will not be any substantial reduction in complement of crown attorneys." Those are your words, and I suppose you stand by them.

I also quote from the exclusive interview you gave to the Law Times earlier this year where you indicated: "We now have the leanest system in Canada. It would be unrealistic to expect that a lower complement of crown attorneys could manage the cases that are already in the system."

That's very interesting: You believe we have the leanest system; you believe there should be layoffs. So let me ask you again, what are the layoffs you are planning?

**Hon Mr Harnick:** In response, it's very interesting, because it's true. There are no massive layoffs that are being considered. I've indicated that. What we're doing is dealing with the complement of crown attorneys we have now to better deal with and concentrate on serious crime and make sure all serious crime can continue to be properly prosecuted so we don't run into the problems of the former Liberal government, which had no plan to deal with the intake of cases and the proper prosecution of those cases. That's why 70,000 cases under their management, where there was no business plan, went out and created a situation where communities became less safe.

What we are doing is building on the investment strategy, continuing the investment strategy money, which this year is \$6 million more to continue a program that had been completed so that we can concentrate on the prosecution of serious crime, unlike the former Liberal government that had no plan and that saw 70,000 cases dismissed from our courts.

**Ms Castrilli:** I find it interesting that the minister chides former governments about business plans when he himself has none — very curious indeed. Yet, sir, you say you will continue the investment strategy; you indicated it here now, you indicated it previously to this chamber. You say, however, in your ministry business plan, which was issued in April, that \$9 million will be cut from criminal prosecution. The two are inconsistent.

On May 13 you said you had no plan to scale back prosecutions in Ontario. It would interest you to know, I'm sure — and I'm sure you know this figure — that we now have 477 crowns to prosecute some 500,000 cases a year. That caseload has not changed, so how is it that you now are contemplating layoffs? Are you not actually putting the public at risk? Will you not give assurances to the public that not one single crown will be laid off until the caseloads are reduced?

**Hon Mr Harnick:** The public is not at risk, because we are concentrating on our ability to deal with the

caseloads and develop mechanisms to be able to do that, not like the Liberal government, which put every community in this province at risk by having 70,000 cases thrown out. They're very touchy about this, because they had no plan.

The issue here is not dealing with reductions, because the reductions to the criminal law division are so minimal that they won't change the way the criminal law division works. It's a reduction to the criminal law division of about 1.1% of the budget of the Ministry of the Attorney General. This is about developing real strategies to be able to assure the public that we can prosecute all serious crimes, so that no drunk drivings go by way of a stay, so that sexual assaults are properly prosecuted, so that spousal assaults are properly prosecuted; not like this former government that saw 70,000 cases thrown out because it had no strategies, and this at the same time as they were putting more and more money into the system without developing any kind of strategy to deal with the problems.

#### EMPLOYMENT STANDARDS

**Mr Howard Hampton (Rainy River):** My question is to the Premier. The Premier and the labour minister have been telling people that Bill 49, the government's package of changes to the Employment Standards Act, is simply a matter of minor housekeeping. This is an insult to working women and men in the province who will no longer be able to collect the wages and benefits they are owed if this bill passes.

This morning a food court cleaner named Mrs Raposo told a news conference how she worked 12 hours a day for more than three years without being paid overtime. Her employer owes her \$6,000. Under your new law and its six-month time limit, Mrs Raposo would only be able to recover \$500 of what she is owed. Premier, this worker will lose \$5,500 of wages that are owed to her. How does your government justify taking that away from her?

**Hon Michael D. Harris (Premier):** If you have a specific case, we'd be happy to look at it, and if you believe this type of case deserves a look at, this bill is going for hearings. We'd be happy to look at all those. I can tell you that the six-month limitation is standard for the other provinces. There are other provinces that have taken the initiative to streamline a number of these processes in the employment standards, better protect workers, do it more efficiently and, for the last 10 years, two governments sat there and did nothing.

We are now in the process of both housekeeping and making some changes to streamline and, as you know, in a major way looking at changes to the whole area. We're inviting consultation on the housekeeping, we're inviting consultation on this change to bring us in line with the other provinces and we're inviting consultation on any significant changes that we think may take place. The minister is consulting with that now. If you have an individual case you would like me personally to look into, send it over. I'd be happy to do it.

**Mr Hampton:** It's very interesting. This low-paid worker is going to lose \$5,500 of wages that she is owed



and the Premier calls it housekeeping and streamlining. The fact of the matter is that this government has not offered consultation on this bill. This government wants this bill passed with minimum public consultation, and when you hear how low-paid workers are going to get screwed out of wages that they're owed, you can understand why the government wants it passed quickly with no consultation.

**The Speaker (Hon Allan K. McLean):** Order. I wish the member would withdraw that unparliamentary language. I find the word that you used offensive. Would you please withdraw it.

**Mr Hampton:** This worker is going to have \$5,500 stolen from her.

**The Speaker:** Order. Would you withdraw?

**Mr Hampton:** This worker is going to be cheated out of \$5,500 that she is owed.

Let me ask the Premier a supplementary: The Premier should be aware that low-paid workers sometimes are owed more than \$30,000 before they're able to get their complaint before the Ministry of Labour. Under your Bill 49 they will have to settle for \$10,000 or less, even if they're owed up to \$30,000. The other option you're proposing is that these low-paid workers hire a lawyer and go to court and jam up the court system that the Attorney General is trying to squeeze cases out of. Totally absurd.

Will the Premier now admit that this bill has important implications for workers in Ontario? Why not withdraw Bill 49 and include all these issues in the minister's overall review of the Employment Standards Act which is supposed to be conducted? Why not do that rather than hurt these workers?

**Hon Mr Harris:** First of all, the case that you put forward is not being affected by this legislation, according to my understanding, one whit; not a nickel is being lost. The act has not been passed yet. We're going to have hearings on the bill. We've not talked about date of implementation, we've not talked about retroactivity. You raise these pie-in-the-sky examples that are irrelevant. You concern people that need not necessarily be concerned before you even know.

What we are doing is bringing in a number of minor changes, some of them housekeeping, some of them you might argue more than housekeeping, to bring ourselves in line with other provinces to try and streamline the system, to try and make it more effective so that we can better use our resources to help workers.

If you know for a fact now (a) that the bill is going to pass, (b) the results of the hearings, (c) the implementation date, you know more than the Premier and the minister, which is the way you act most days.

1420

**Mr Hampton:** I think I heard the Premier say again that when a worker stands to lose \$20,000 under this bill, it's just streamlining and it's just housekeeping. The reality is that workers — most of them will be low-paid workers — from Cornwall to Thunder Bay stand to lose all kinds of money. They stand to lose the wages and they stand to lose the benefits they are owed.

All we ask the government to do is to withdraw this so-called piece of streamlining and housekeeping. If they

want to bring it forward as part of the larger consultation on the Employment Standards Act later, that would be fine, but to try to slip what amounts to cheating workers out of wages and benefits they are due and call it housekeeping and cleaning things up is absurd. We're asking the government, if it's really serious, to take this stuff out and put it in the larger Employment Standards Act consultation which is going to be held later on.

What's the government going to do? Are they going to cheat these workers out of their money or are they going to withdraw this stuff?

**Hon Mr Harris:** The only cheating of workers in this province has been in mismanagement of finances, in mismanaged government and in mismanaged policies. You've cheated workers in Ontario out of jobs, out of hope, out of opportunity and out of the prosperity they should have had. That's what's happened over the past 10 years. That is the only cheating. You cheated children, my children, your children and all children, out of their future with the absolute disaster that you have brought on the people of the province of Ontario.

**The Speaker:** New question, the leader of the third party.

**Mr Bud Wildman (Algoma):** I wonder what the employees of the Ministry of Natural Resources, the Ministry of Agriculture, Food and Rural Affairs and the Ministry of Environment and Energy would have to say if the Premier got up and said nobody has cheated them out of a job.

## ONTARIO HYDRO

**Mr Bud Wildman (Algoma):** My question is to the Minister of Environment and Energy. The Minister of Environment and Energy will know that she has said repeatedly in this House that the Macdonald report on the future of Ontario Hydro was due at the end of April and still has not been made public, yet we see the president of Ontario Hydro, Dr Kupcis, going to New York to prime foreign investors for the selloff of Ontario Hydro. Here we have the president of one of the largest public utilities in the world travelling to Wall Street to peddle the goods. This raises a lot of questions.

Does the minister think it's appropriate for the president of Ontario Hydro to go to Wall Street to discuss the selloff of Ontario Hydro with foreign investors before the release of the Macdonald commission report so that the public of Ontario knows what is being recommended for the future of that utility?

**Hon Brenda Elliott (Minister of Environment and Energy):** Certainly we are all anxious to see the results of the Macdonald commission report. While I understand that a report discussed the speech Mr Kupcis delivered in Washington, I would draw your attention to a letter to the editor that he subsequently wrote, and I quote from that letter: "At no time did I tell the audience or the Star reporter that I was confident Ontario Hydro would soon win provincial approval for a controversial plan to sell off parts of the public utility."

This is a very serious matter for the province of Ontario, and I would simply like to assure my colleagues across the way that this is a decision that will be made by the government in due time with thoughtful consideration.



**Mr Wildman:** The minister will know that her own deadline for the release of the Macdonald report that she says we're all waiting with bated breath to hear about is gone. It's over a month since she said that the report would be available.

The statements by Dr Kupcis raise a number of questions. Have Dr Kupcis and Mr Farlinger and senior officials of Ontario Hydro been briefed on the contents and the recommendations of the Macdonald commission report? If they have been briefed, when is the minister intending to release this report so that everybody in Ontario would know what's being recommended?

**Hon Mrs Elliott:** Mr Speaker, I can assure you that no one at Ontario Hydro has been briefed as to the contents of the Macdonald report. I believe I indicated when I was last asked about this that the final printing and editing of that report is nearing completion and it will be released to everyone shortly.

**Mr Wildman:** That raises some interesting questions. As a supplementary, we understand that this week the minister is having meetings with various stakeholders in Ontario in the energy field about your next moves in relation to the privatization of Ontario Hydro. Has the minister been briefed about the recommendations of the Macdonald commission report, or are you waiting until we brief all of the other investors before even you find out what's being proposed by Macdonald?

When are you going to release this so all Ontarians, not just big players in the energy field but all Ontarians who own this major asset, will know what the government is planning for the future of this important utility in this province?

**Hon Mrs Elliott:** As a matter of fact, I have received the document and I am in the process of reviewing it. We will be meeting with a number of people over the next while to talk about a number of issues with regard to electricity restructuring. Again I would emphasize that this government is committed to ensuring that the province of Ontario has safe, reliable and competitive power for the present and for the future, and we will be seeking advice on how to change this monopoly in an ongoing manner.

#### SERVICES FOR THE DISABLED

**Mrs Sandra Pupatello (Windsor-Sandwich):** My question is for the Minister of Education and Training. There are six regional schools in Ontario whose mandate is to serve children with significant disabilities. They're called section 68 schools. I'd like the minister to confirm today that he will not change the status of these section 68 schools and, above all, that he will not tamper with the funding of them. These schools particularly serve children with significant disabilities, and those requirements cannot be met within the regular school system.

**Hon John Snobelen (Minister of Education and Training):** The honourable member brings forth an issue that's been in the media somewhat over the last few days; that is, section 68 school boards. There are in fact six across the province. These boards take care of the most needy young people in the province, the people who require a great deal of assistance. They are usually

attached to a health institute and these boards are run by voluntary trustees.

As the member opposite might know, the Sweeney commission suggested amalgamating these section 68 boards with their coterminous school boards, and we are now looking for input from MPPs. I've asked MPPs from all parties to talk to their local areas, including the section 68 boards, and to give information back to our ministry by the end of this month. We'll consider the input from MPPs on all of the issues that were brought forward by the Sweeney commission, not just the section 68.

1430

**Mrs Pupatello:** In April 1996 the minister said specifically that if we must make changes, we must make them reasonably and after some consideration. Where section 68 schools are concerned, amalgamating them with regular existing school boards is not the answer, because the funding issue is critical. These children are very expensive to teach and everyone acknowledges that. We cannot lose sight of these children by including them under larger boards. That's what they used to do in the 1940s and 1950s.

Whether they come from Essex county affiliated with the rehab centre there, the Niagara Peninsula board, whether it's Ottawa Centre, all of those, they cannot afford to be lost as children. We need to have assurance from the minister today that the funding will not be tampered with. We acknowledge that it's expensive. We also acknowledge that this is how we must treat children with significant disabilities. I would like your assurance today that you will not change the funding formulas.

**Hon Mr Snobelen:** First of all, I'm a little surprised. The member for Windsor-Sandwich is not referring to suggestions on amalgamation of these boards that were made by this government. She is referring to a report that was made by a former member of her party that suggested amalgamation of these section 68 boards with their coterminous boards. I find it a little surprising that she would bring the subject up in the House today.

On the funding issue — I will agree with the honourable member that funding is a critical issue for these high-needs young people — currently the funding model for section 68 school boards is 80% the responsibility of the province and 20% the responsibility of the local school board. I would suggest to the member that we should consider, in the course of funding changes in education, which we've talked about in the House on many occasions, whether there can be an improvement and more resources available for these needy young people. I would not leave out entirely the possibility of having more resources available for these young people, if that's necessary, and I would not stand here in the House and do that today.

#### RENT REGULATION

**Mr Gilles Bisson (Cochrane South):** My question is to the Minister of Municipal Affairs and Housing. You would know that today Mayor Hall, along with other city councillors and people from Metro, was here at a press conference to speak out to this government and say that they want to see the present system of rent controls saved. Mayor Hall herself, in addressing that press



conference, said that the NDP system of rent controls that was put in place by my government was working and that they want you to keep your hands off it.

You're on record as saying that you want to scrap the system entirely and that you believe the system doesn't work. I find it interesting that the Premier stood in the House today in response to a question and said, and I want to quote from this, that he thinks it will be hard to improve on the present NDP rent control system and that anything you guys do, you're not going to put tenants at risk.

I ask the minister this question: Seeing that the cornerstone of the NDP legislation was a system where you had an absolute cap on the amount that rent can go up, would you be in agreement, to keep the system of rent control we have now, with keeping the cap in place and not eliminating the cap altogether? If you do, rents are going to go through the roof for tenants.

**Hon Al Leach (Minister of Municipal Affairs and Housing):** As we've said continually, we're not planning to do anything with the system until such time as we have a system that we believe is better, and we're very close to bringing that forward.

I met with Mayor Hall last Thursday. We talked about rent control. I am meeting with city of Toronto councillors tomorrow evening to talk about rent control. I invite you to the meeting, although you're probably going to be there anyway. We're consulting with everybody; we're talking with everybody. We're not going to do anything until we're convinced that what we have is better and what we will bring forward will be better.

**Mr Bisson:** You say you're consulting, but when you go as I have to Kitchener, Sudbury, Ottawa, Toronto and different places across the province, including Windsor, tenants come in droves, and when we go canvassing in their apartment buildings they say the cornerstone of the present system of rent control is the cap. They're afraid that your government, in its zeal to move off the rent control system and put in place a system that would be heavily favourable to landlords, would eliminate that cap.

Certainly tenants have been telling you not to remove the cap. I ask you the questions again: Will you keep in place the cap we presently have with rent control, such as was put in place by the NDP, not eliminate the cap? Will you commit to that today?

**Hon Mr Leach:** No. What I will commit to is bringing in a system that's better than the one we have at the present time. We're going to do that, and I keep repeating that. I have met with the United Tenants of Ontario, I've met with all the tenant associations across this province and I'm trying to find out from them where we can fix it. They've had many great suggestions, and I've continued to assure them that what we bring in will provide protection for tenants, and we continually do that. Why you go out and stir up the fearmongering by talking about 40%, 50%, 60%, 70% rent increases just amazes me. That's the type of system that happened when the Liberals were in power. It won't happen under our government.

#### HIGHWAY IMPROVEMENT

**Mrs Barbara Fisher (Bruce):** My question is to the Minister of Transportation. Minister, all the citizens of

the Bruce were glad to hear that you are committed to repairing and rehabilitating the highways in the province. However, the government cut MTO's budget in April. Doesn't your recent budget announcement merely replace the dollars that were previously cut?

**Hon Al Palladini (Minister of Transportation):** This government places a high value on the highway network, which provides essential transportation links in all parts of the province. We have committed \$350 million in 1996-97 to repair and rehabilitate our highways. That's more money than has been spent on our infrastructure in the last six years.

The reduction of \$35.3 million which was announced in April is to be achieved through overhead reductions and efficiencies so we can spend more money on the highways in the ground. The reduction in no way affects the planned rehabilitation. In fact, the additional funding announced in the budget enables us to renew some 1,800 additional kilometres of highway pavement and bridges across the province. We are taking the first step to clear the backlog the last two governments have placed as a burden on the people of Ontario by underfunding the rehabilitation during the last 10 years. We are going to undo what they did.

#### Interjections.

**Mrs Fisher:** I'm very interested to know we have a common problem: It's potholes, as the opposition might be saying. I would like to ask the minister when the residents of the Bruce might see the minister coming to the Bruce to fill the potholes on Highway 6.

**Hon Mr Palladini:** Although I have now gained experience filling potholes, I am sure the people of Bruce would rather see the ministry staff road crews repair the potholes. What we have done is to ensure that crews have the resources to do the job. I'd like to assure this House and the people of Ontario that you can expect a much smoother ride in the times ahead. We are going to do what we said: repair every pothole in the province.

#### NON-PROFIT HOUSING

**Mr John Gerretsen (Kingston and The Islands):** My question is to the Minister of Municipal Affairs and Housing. You know that last week an Ontario court told your government to live up to your obligations and ruled against you in an action over the cancellation of the non-profit projects approved by the previous government. The court ruled that you cannot make development consultants sign away their rights to sue for breach of contract before paying them the outstanding bills that both they and the government claim are owing.

In that particular case, Home Quest Consultants — Mr Wayne Malo, the president, is in the gallery today — has been owed \$29,000 since last July. Many of these housing consultants are small businesses. Will you now, as a result of this court ruling, pay all the other small businesses, the housing consultants, the money that is rightfully owing to them, not only according to their own accord but according to your own ministry's accord? Will you be fair to them and pay them?

**Hon Al Leach (Minister of Municipal Affairs and Housing):** We've always been prepared to pay those



bills. We've always told the consultants and the developers that we would pay all the costs they had incurred carrying out those contracts. We have said that continually. What we asked them to do was to sign a release saying that after we paid them, they wouldn't turn around and sue the government. This gentleman has taken that matter to court. The courts have ruled. That's what courts are for.

**Mr Gerretsen:** Minister, you are wrong. Your ministry people have been saying you'll only pay them if they will sign off and not sue the government with respect to any other items that may be owing to them. Why are you —

*Interjections.*

**The Speaker (Hon Allan K. McLean):** Minister?

**Mr Gerretsen:** Just a minute. I haven't finished my question yet. Why aren't you being fair to these people?

**The Speaker:** Order. You had asked the question and sat down. It's the minister's turn to reply.

**Hon Mr Leach:** Thank you, Mr Speaker. I think they'd better change the air filters over there. I think there's a little problem with the oxygen.

**Mr Gerretsen:** On a point of order, Mr Speaker: I did not hear the minister's reply, and I sat down. There's too much noise in the House from the government side.

**The Speaker:** Order. Would the minister wrap up his answer. Are you finished?

**Hon Mr Leach:** I answered the question. I said we have been negotiating with all the developers, all the co-op properties that were there. We're negotiating with the operators of the projects, not the individuals who were involved in delivering some of the services, but we assured them all that they would be paid for any costs they incurred up until the time the projects were cancelled, and we are doing that and we will do that.

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#### EDUCATION FINANCING

**Mr Bud Wildman (Algoma):** I have a question for the Minister of Education and Training. For months now parents and teachers and members of boards across the province have been telling you that your massive cuts to education will harm education in the classroom for students. Even some of your own colleagues said you were out of whack, that your cuts were hurting classrooms. Now your own parliamentary assistant, the member for Wentworth North, has admitted in the press that the Ontario government's \$400-million cut to school boards is having an impact on the classroom.

Are you now prepared to admit that you were wrong, that you couldn't take this amount of money out in one year and not affect the classroom, and are you prepared now to deal with the effects of your irresponsible cuts on students' education in Ontario?

**Hon John Snobelen (Minister of Education and Training):** I want to thank the leader of the third party for the question, and also, before I address the question, Mr Speaker, with your permission, I'd like to extend my congratulations to the leader of the third party. I understand you christened your daughter last week and I'd like to congratulate you for that. That would be the nice part of the reply, and now the rest of it.

If the leader of the third party will read on in the article a little further, read the whole article, I think he'll find that the member was quoted as saying there are many school boards across the province that have in fact found ways of reducing costs, of providing a better value for the taxpayer without affecting the classroom. We encourage, my colleague encourages, all of us encourage school boards to be responsible for this, to take the actions that need to be taken to provide a better value for taxpayers and a better education for students. We know that's achievable.

**Mr Wildman:** I'd like to thank the minister for his kind congratulations and just say to him in sincerity that I and all members of this House hope my daughter is able to have the kind of education that her older brothers had in the classrooms of this province.

The parliamentary assistant is quoted in the press as saying he plans to take the problem of deteriorating education in certain Ontario classrooms back to Minister of Education Snobelen for correction.

Since we've been hearing from teachers and students, educators, school boards, parents, many, many people across the province, that your cuts are having negative effects on classroom education despite the commitment you made in the election campaign, and now that your parliamentary assistant agrees and says he wants you to do something to correct this, what are you going to do to meet the proposal of the parliamentary assistant that you correct the problem you've created in classroom education? How are you going to correct this?

**Hon Mr Snobelen:** First, I believe we have a lot of different responses to our request that school boards make savings outside of the classroom. As the member opposite knows, there have been a number of studies and reports on the education system in Ontario that indicate there are savings available outside of the classroom, and we believe it's the responsibility of this government and of the boards to make those savings to have the system be affordable and sustainable over time.

We'll be encouraging boards to do that. We'll be continuing to monitor board activities and the actions of boards and the teacher federations and other stakeholders in education across the province, making sure that those reductions are found outside of the classroom. We believe that Bill 34, which is before the House now, has some measures in it that will help school boards in this endeavour.

Not only am I committed to making sure that the education system maintains its excellence quality for the benefit of the honourable member's daughter and for all of that generation, but I'm committed to having it be improved by better standards, by a tougher curriculum, by better outcomes for all of the students across the province. That's the commitment of this government to a better education system for the young people of Ontario.

#### MEAT INSPECTION

**Mr Gary Fox (Prince Edward-Lennox-South Hastings):** I'm pleased that the Ministry of Agriculture, Food and Rural Affairs is committed to doing better for less, but with the reduction in the number of meat



inspectors can the minister assure me that the meat inspection will continue to be considered an essential service?

**Hon Noble Villeneuve (Minister of Agriculture, Food and Rural Affairs, minister responsible for francophone affairs):** I want to thank the honourable member for that question because, in the ministry's opinion, the ministry is considering this meat inspection as very important and indeed an essential service. We're not reducing our involvement in meat inspection, we're utilizing our staff more effectively, we're doing better with less. We're rationalizing the meat inspection services so that we are increasing efficiency and reducing the cost to taxpayers, and there will even be some federal involvement here. We have been and will continue to do so in consultation with farmers and processors.

**Mr Fox:** I wonder how the Minister of Agriculture, Food and Rural Affairs could reassure consumers that food safety is not being compromised by a reduction in the number of meat inspectors.

**Hon Mr Villeneuve:** I can assure the honourable member that there is no compromise in the inspection of all produce and meats coming through from the farm. I want to point out that our meat inspectors are certified to the highest standards. Of the 300 or so provincially licensed plants, there are only about 30 of them that are operating 35 hours a week. So indeed when members from the third party suggest that we shouldn't be doing some reduction here and some contracting —

**Mr Bud Wildman (Algoma):** No, I am just asking why it is you thought they were essential a few weeks ago and not now.

**Hon Mr Villeneuve:** Maybe the honourable member leading the third party would like to know his party reduced by 30% the number of meat inspectors from 1992 to 1995. We're simply replacing them with contract people that will provide the services. We do not want the situation that occurred during the strike ever to happen again.

#### UNEMPLOYMENT IN THE NORTH

**Mr Rick Bartolucci (Sudbury):** My question is to the Minister of Northern Development and Mines. The members of the official opposition from the north are very concerned about the job reductions in the north. If you just look at Sudbury as an example, only a partial list: the regional office of Environment and Energy, a 75% reduction in job force, endangering emission monitoring, endangering vegetation enhancement and quality, air and water quality in Sudbury, to mention only a few; the regional office of Citizenship, Culture and Recreation; the MTO section; the administration section of the OPP moved; the communications section moved; closing of the identification unit.

If you look at all these cuts, Minister, Sudbury and the rest of northern Ontario is taking a proportionate job loss reduction which is beyond comprehension — hundreds of jobs in Sault Ste Marie, hundreds of jobs in Thunder Bay, hundreds of jobs in Sudbury. For smaller communities such as Englehart, Espanola, Blind River, their very existence may be in jeopardy because of these job losses.

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**The Speaker (Hon Allan K. McLean):** Put your question.

**Mr Bartolucci:** Minister, my question is a short one and it's rather simple. Did you, as the curator of northern interests, agree with the cabinet decision to cancel these jobs? Can you give me the rationale behind it? And finally, in this part, how are these cuts good for northern Ontario?

**Hon Chris Hodgson (Minister of Natural Resources, Northern Development and Mines):** You raise a very important issue, that when you are downsizing, it makes it stressful for the employees and the employees' families and on the communities that are affected as well. But I can tell you that if there's hope in this — I think that's what the member is asking for, how he can take back a message to his communities across the north — it's that we're restoring the fiscal climate in Ontario. We're restoring government's role of delivering services efficiently and effectively, and that's good news for all Ontario.

As well, the reductions are based on the function that will be carried out by the government. We're clearly going back to what is the core function of the government to provide, and we're allowing others to provide services that they're more efficient at. For instance, in many northern communities, the role of government services will be created by the private sector. There will be opportunities there in consulting work and in actually doing tree marking and tree planting. There are industries that have sprung up in the last 20 years that weren't there 30 years ago. You can just look at the forestry section, the nurseries. Those are industries that weren't in existence 30 or 40 years ago. Now there's a capacity in job creation that's taking place there.

So I think that when we look at the cumulative impact, you'll see that it's been fair, it's based on function, and it's even across the province.

**Mr Bartolucci:** Mr Minister, first of all, it's a ridiculous answer, almost an idiotic answer, but I will allow that, coming from you. But let me tell you, it's based on fiscal responsibility. If it's based on fiscal responsibility, can you please explain to the House why you have a Deputy Minister of Northern Development and Mines who refuses to move to the north to operate out of the north? Do you consider the fiscal responsibility of what's happening now, with eight people from his staff commuting from Sudbury to Toronto on a weekly basis, is a better way of managing a ministry: four people staying in a hotel, four people renting a house, you paying a meal allowance for all eight, you paying transportation allowance for all of them, because a deputy minister responsible for northern development and mines doesn't want to move north? Can you confirm that that's happening, first of all, and do you agree with it, yes or no?

**Hon Mr Hodgson:** The preamble was interesting. I'll give you a direct answer that if you compare the cost of doing business today under the Ministry of Northern Development and Mines and compare it to the travel costs before under the previous two administrations in the last 10 years, I think you'll find that we come out rather favourably.



The role of northern development is a listening post from northern Ontario to have input into decisions that are made at Queen's Park. You want to have that input around the line ministries at Toronto, and it is more economical and more efficient to run it this way, with more input from northerners, than to have a big head office and no input on the decisions that are made, just to hear about the end result. I think your numbers are wrong, and we'll get you the actual facts that it's cheaper to run it this way than the way it was done in the last 10 years.

**The Speaker:** New question, the member for Cochrane South.

**Mr Gilles Bisson (Cochrane South):** My question is to the Minister of Municipal Affairs.

*Interjection.*

**The Speaker:** Order. The member for Sudbury, come to order.

*Interjection.*

**The Speaker:** Order. I'll name the member for Sudbury. We can't put up with this. I would ask the member for Sudbury to leave the chamber. Acting Sergeant at Arms?

**Mr Dominic Agostino (Hamilton East):** You let them get away with it on the other side.

**The Speaker:** No, you can't stand up and challenge the Speaker.

*Mr Bartolucci was escorted from the chamber.*

#### ASSISTANCE TO FLOOD VICTIMS

**Mr Gilles Bisson (Cochrane South):** My question is to the Minister of Municipal Affairs and Housing. You would know, as other members of this assembly know, that over the last week to week and a half the city of Timmins has been undergoing fairly difficult times, and the residents in and around the Mattagami River, in regard to the flood that has taken place.

What concerns me is what concerns a lot of people who are alongside of the river, that in most cases the insurance is not going to pay for damages incurred by the flood; as it is an act of God, the insurance in a lot of cases will not pay.

As those particular individuals come before you, as the Minister of Municipal Affairs and Housing to the city of Timmins, will you assist those families and help them with some of the financial difficulties they will incur for the cleanup that will be left at the end of this flood? Will you assist those families?

**Hon Al Leach (Minister of Municipal Affairs and Housing):** I sympathize with the people in the Timmins area and all through the north who suffered through that flooding. There was a lot of very serious damage done there. I know my colleagues the Minister of Transportation and the Minister of Northern Development and Mines both were up and visited the scene. All the staff in the Ministry of Municipal Affairs were also involved in ensuring that everything that could be done was done.

My understanding is that Timmins has declared a state of disaster and that under the disaster funding program the community will raise funds. They'll bring that program to the province, and the province will do everything it can to assist them in that.

**Mr Bisson:** I appreciate the care the ministers have taken in going to Timmins to assess for themselves at first hand the damage as a result of the flood, but I have to ask you the question again. As is the case normally when this happens, they will come from the city to you as the Minister of Municipal Affairs and say, "We need assistance to offset the losses to the residents who have incurred financial loss because of the flood." I'll put the question again. Will you look at those applications favourably and assist those families directly with financial assistance to offset the loss they are going to incur because of the flood and the damage caused by that flood?

**Hon Mr Leach:** It's up to the municipality to initiate that process. My understanding is that the municipality has started to do that. As the municipality brings individual cases, obviously we will help in any way we possibly can, but as you know, it's done on a case-by-case basis. We will review each case on its merit, and when the merit is there, we will certainly assist them.

#### COMPUTERS IN SCHOOLS

**Mr John R. Baird (Nepean):** My question is to the Minister of Education and Training. Last week the people in my constituency welcomed the minister's announcement in Ottawa of funding for the technology incentive partnership program, particularly parents at the Carleton Board of Education whose children are in school there.

Minister, I want to raise one concern a particular group had with respect to computers in schools. It's with respect to the number of teachers in my area who stated that they, like students, often lack adequate computer resources and access to computer resources. One of the original stated intentions of TIPP's was supporting professional development for teachers. Could the minister tell the House what provisions he has made with respect to integrating professional development into the TIPP's program?

**Hon John Snobelen (Minister of Education and Training):** I enjoyed being in Ottawa last week and having a look at the TIPP's program that's being offered in those schools. I was very pleased and I know all my colleagues were and a lot of the people in the education community were very excited when the Minister of Finance announced a doubling of the government's commitment to the TIPP's program. In fact, \$40 million is now available for TIPP's programs throughout Ontario. It's extraordinary. It's making a difference in the education system.

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We announced last week that there will be 40 projects going forward from the initial \$20 million worth of commitment. That commitment of taxpayers' funds has been levered by a private sector investment that's \$3 for ever \$2 of government money, so this is really a good program.

Specifically to the honourable member's question, there are several of the 40 projects that involve teachers, teacher education and the ongoing development of teachers. Let me mention two of them. TIPP's 91 is a teacher training technology partnership. It's being offered

through the learning partnership and it's being offered by the Hamilton Board of Education. It's designed for in-service and pre-service training of teachers and it's offered through Brock University. Another one is TIPP 10, which is the hands-on program offered by the Learning Partnership, and it's designed to bring technology to teachers.

Some of these projects are very specifically taking on the whole role of bringing technology to teachers.

**Mr Baird:** Another group that has expressed its concern to me about the lack of computer resources within the educational system in the province of Ontario is students interested in upgrading their skills or entering the workforce. I wonder if the minister could tell this House what efforts he and his ministry have taken on behalf of this group of students in the province.

**Hon Mr Snobelen:** Once again, it's a pleasure to answer the honourable member's question. I can mention a whole variety of programs in the TIPP series but I will mention only one of them, and that is TIPP 51, which is the high-tech partnership. This is a project that's designed to improve the access and training skills in the area of machinery and industrial arts so that students can have better access to both post-secondary education and to the world of work. This is being offered by the Sudbury Board of Education, just another one of the excellent TIPP projects offered throughout the province.

## PETITIONS

### DELLCREST CHILDREN'S CENTRE

**Mr Tony Ruprecht (Parkdale):** I have a petition to the assembly of Ontario which reads:

"Whereas the Dellcrest Children's Centre is planning to open a 10-bed custody residence for troubled children and youth at 182 Dowling Avenue...; and

"Whereas the residence is an inappropriate site for the rehabilitation of troubled children and youth because it is within walking distance to illicit drug and prostitution activities; a large number of unsupervised and supervised rooming houses that are home to ex-psychiatric patients, parolees, and our society's most vulnerable and ostracized members; and a number of licensed establishments that have been charged with various liquor infractions; and

"Whereas the Ministry of Correctional Services and the Dellcrest Children's Centre have decided not to hold open discussions with our community prior to the purchase of this house for the purpose of an open custody residence; and

"Whereas the decision to relocate also expresses a total lack and disregard towards our community's consistent and well-documented wishes for the Ontario government to stop the creation or relocation of additional social service programs or offices in an area that is already oversaturated with health and social services for disadvantaged, troubled or disenfranchised people;

"We, the undersigned local residents and business owners, urge the Ministry of the Solicitor General and Correctional Services to suspend plans to relocate the open custody residence until a full review of the Dellcrest Children's Centre's decision can be conducted, and

explore, with us, alternative" solutions and "locations which are more appropriate."

I've signed my name to this document.

## DRINKING AND DRIVING

**Mr John R. Baird (Nepean):** I have a petition from some residents in my constituency of Nepean and from Mississauga South addressed to the Legislative Assembly of Ontario.

*Interjections.*

**The Speaker (Hon Allan K. McLean):** Order. Would the members with the private conversations take them out the back, please.

**Mr Baird:** "Whereas drinking and driving is the largest criminal cause of death and injury in Canada;

"Whereas every 45 minutes in Ontario a driver is involved in an alcohol-related crash;

"Whereas most alcohol-related accidents are caused by repeat offenders;

"Whereas lengthy licence suspensions for impaired driving have been shown to greatly reduce repeat offences;

"Whereas the victims of impaired drivers often pay with their lives, while only 22% of convicted impaired drivers go to jail, and even then only for an average of 21 days;

"We, the undersigned, petition the Legislative Assembly of Ontario as follows:

"We urge the provincial government to pass legislation that will strengthen measures against impaired drivers in Ontario."

On the day of Mr Palladini's announcement, I'm pleased to affix my own signature.

## VIDEO LOTTERY TERMINALS

**Mr James J. Bradley (St Catharines):** My petition reads as follows:

"Since video lottery terminals will contribute to gambling addiction in Ontario and the resulting breakup of families, spousal and child abuse, and crimes such as embezzlement and robbery;

"Since the introduction of video lottery terminals across Ontario will provide those addicted to gambling with widespread temptation and will attract young people to a vice which will adversely affect their lives for many years to come;

"Since the introduction of these gambling machines across our province is designed to gain revenue for the government at the expense of the poor, the vulnerable and the desperate in order that the government can cut income taxes to the greatest benefit of those with the highest income;

"Since the placement of video lottery terminals in bars in Ontario and in permanent casinos in various locations across the province represents an escalation of gambling opportunities; and

"Since Premier Harris and Finance Minister Eves were so critical of the provincial government becoming involved in further gambling ventures and making the government more dependent on gambling revenues to maintain government operations;



"We, the undersigned, call upon Premier Harris and the government of Ontario to reconsider its announced decision to introduce the most insidious form of gambling, video lottery terminals, to restaurants and bars in the province."

I affix my signature to this petition as I'm in full agreement with its contents.

### SOCIAL SERVICES

**Mrs Margaret Marland (Mississauga South):** This is a petition that reads as follows:

"We, the undersigned, urge that you, as a representative in Peel, take action to ensure that Peel region services receive its fair share of the funds available for social services. With present and imminent cuts to budgets, Peel's allotment must be made in proportion to its population.

"Peel does not receive a share of funds appropriate to its size. In 1994, the amount allocated per child for social service programs in Peel was \$96.52, whereas Toronto received \$338.18 per child and the average for Ontario was \$261.68. An equitable distribution of the available funds is the only tolerable solution."

I know that our government agrees with this position and I'm also happy to sign my support to this petition.

### USER FEES

**Mr Tony Ruprecht (Parkdale):** I keep getting petitions against the \$2 user fee. This is to the Legislative Assembly of Ontario.

"Whereas the Ministry of Health will begin to charge seniors and social assistance recipients a \$2 user fee for each prescription filled on June 1, 1996; and

"Whereas health care experts have asserted that user fees for drugs could jeopardize the health of individuals who cannot afford to pay for their medication; and

"Whereas Ontario's ex-psychiatric populace rely heavily on prescription drugs to remain stable, and mental health care providers and the general public are scared of the outcome if these patients cannot afford to buy their medication because of the \$2 user fee when it is normal policy to only prescribe them a two- to three-day supply of medication to prevent potential misuse or an overdose; and

"Whereas the perceived savings to health care from the \$2 copayment fee will not compensate for the suffering and misery caused by this user fee and will not even cover the cost of extra emergency services nor repeated hospital services. The \$2 copayment fee will consequently not lead to cost savings but rather increases in the case of expensive health care services; and

"Whereas the current Ontario Minister of Health, Jim Wilson, promised as an opposition MPP in a July 5, 1993, letter to Ontario pharmacists that his party would not endorse legislation that will punish patients to the detriment of health care in Ontario;

"We, the undersigned Ontario residents, strongly urge the government of Ontario to repeal this user fee before it takes effect on July 1, 1996, because of the potential dramatic increase in emergency and police services and the suffering and misery of human lives — especially

psychiatric outpatients and those who depend on medication for their daily survival."

I'm affixing my signature to this document because I'm in full agreement with it.

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### GASOLINE PRICES

**Mr James J. Bradley (St Catharines):** I have a petition that reads as follows:

"Whereas since March of 1996 gasoline prices have increased, on an average of a dramatic 10 cents a litre, which is over 45 cents a gallon;

"Whereas this increase in the price of gasoline has outpaced the rate of inflation by a rate that is totally unacceptable to all consumers in this province because it is unfair and directly affects their ability to purchase other consumer goods;

"Whereas Premier Mike Harris and Consumer and Commercial Relations Minister Norm Sterling, while in opposition, expressed grave concern for gas price gouging and asked the government of the day to take action;

"We, the undersigned, petition Premier Harris and the government of Ontario to eliminate gas price-fixing and prevent the oil companies from gouging the public on an essential and vital product."

I affix my signature to this petition as I'm in agreement with its contents.

### CHILD CARE

**Mr Tony Ruprecht (Parkdale):** I am not surprised we keep getting these petitions, simply because of the great need to ensure that this government will listen to the members and to the people.

This petition is to the Ontario Legislature and it reads as follows:

"We, the undersigned, are firmly opposed to the erosion of the child care system. We are most particularly concerned about the unregulated child care sector, which represents the choice of most Ontario families, many living in rural areas.

"We urge this government to make its budget reduction in areas where children and families will not once again be the target of cuts. Family resource programs support the informal sector of child care, which includes parents caring for their own children and the care provided by grandparents, home child care providers and nannies."

I'm affixing my signature to this document.

### GOVERNMENT ADVERTISING

**Mrs Elinor Caplan (Orillia):** I have a petition signed by a number of constituents.

"Whereas the people of Ontario are being subjected to the most drastic reductions in service in the history of the province;

"Whereas the Premier has required that the people of the province pay higher user fees and property taxes;

"Whereas the Premier and his ministers have preached restraint to all who have requested funding from the provincial government;

"We, the undersigned, request that the government of Ontario not embark upon an advertising campaign using

the taxpayers' dollars and designed to sell the Ontario budget to the people of the province."

I affix my signature to this important petition.

#### LIQUOR CONTROL BOARD OF ONTARIO

**Mr James J. Bradley (St Catharines):** I have a petition from people in Ontario reading as follows:

"To the government of Ontario:

"Whereas the government of Ontario appears to be moving towards the privatization of retail liquor and spirits sales in the province; and

"Whereas the LCBO provides a safe, secure and controlled way of retailing alcoholic beverages; and

"Whereas the LCBO provides the best method of restricting the sale of liquor to minors in Ontario; and

"Whereas the LCBO has an excellent program of quality control of the products sold in its stores; and

"Whereas the LCBO provides a wide selection of product to its customers in modern, convenient stores; and

"Whereas the LCBO has moved forward with the times, sensitive to the needs of its customers and its clients; and

"Whereas the LCBO is an important instrument for the promotion and sale of Ontario wine and thereby contributes immensely to the grape-growing and wine-producing industry;

"Therefore, be it resolved that the government of Ontario abandon its plan to turn over the sale of liquor and spirits to private liquor stores and retain the LCBO for this purpose."

I affix my signature to this petition as I'm in full agreement with its contents.

#### QUEEN STREET MENTAL HEALTH CENTRE

**Mr Tony Ruprecht (Parkdale):** I have a petition which is signed by hundreds of residents from the Parkdale and Fort York riding to the Legislative Assembly of Ontario.

"We, the undersigned, beg leave to petition the Parliament of Ontario as follows:

"Whereas the PC government is going to open a 20-bed forensic facility for the criminally insane at the Queen Street Mental Health Centre; and

"Whereas the nearby community is already home to the highest number of ex-psychiatric patients and social service organizations and hundreds of licensed and unlicensed rooming houses, group homes and crisis care facilities in all of Canada; and

"Whereas there are existing facilities that could be expanded to assess and treat the criminally insane; and

"Whereas no one was consulted, not the local residents, not the business community, not leaders of community organizations, not education and child care providers and not even the local member of provincial Parliament;

"We, the undersigned residents and business owners of our community, urge the PC government of Ontario and the Minister of Health especially to immediately stop all plans to accommodate the criminally insane in an expand-

ed Queen Street Mental Health Centre until a public consultation process is completed."

I affix my name to this petition because I agree with it 100%.

#### GASOLINE PRICES

**Mrs Elinor Caplan (Oriole):** I have a petition about gas prices.

"Whereas since March 1996, gas prices have increased on average a dramatic 10 cents a litre, which is over 45 cents a gallon;

"Whereas this increase in gas prices has outpaced the rate of inflation by a rate that is totally unacceptable to the consumers of this province because it is unfair and directly affects their ability to purchase other consumer goods;

"Whereas Premier Mike Harris and Consumer and Commercial Relations Minister Norm Sterling, while in opposition, expressed grave concern for gas price gouging and asked the government of the day to take action;

"We, the undersigned, petition Premier Harris and the government of Ontario to eliminate gas price fixing and prevent the oil companies from gouging the public on an essential and vital product."

I affix my signature to this worthwhile petition.

**The Speaker (Hon Allan K. McLean):** The member for Wellington on a point of order.

#### CORRECTION

**Mr Ted Arnott (Wellington):** Mr Speaker, last Thursday, May 16, in a question to the Minister of Health I indicated that the amount of money that was budgeted for doctors' pay in Ontario was \$8.3 billion. That was inaccurate; I had the numbers reversed. It's actually \$3.8 billion. I'd like to correct my record.

#### INTRODUCTION OF BILLS

##### ROAD SAFETY ACT, 1996

##### LOI DE 1996 SUR LA SÉCURITÉ ROUTIÈRE

Mr Palladini moved first reading of the following bill:

Bill 55, An Act to promote road safety by implementing commercial trucking reforms, drinking and driving countermeasures and other aspects of Ontario's comprehensive road safety plan / Projet de loi 55, Loi visant à promouvoir la sécurité routière pour la mise en oeuvre de mesures de réforme du camionnage, de contre-mesures visant l'alcool au volant et d'autres aspects du programme général de sécurité routière de l'Ontario.

**The Speaker (Hon Allan K. McLean):** Is it the pleasure of the House the motion carry? Carried.

Does the minister have a short statement?

**Hon Al Palladini (Minister of Transportation):** This bill will promote road safety by implementing commercial trucking reforms such as higher fines, drinking and driving countermeasures such as administrative licensing suspensions and other aspects of Ontario's comprehensive road safety plan.



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## ORDERS OF THE DAY

### INTERNATIONAL FUEL TAX AGREEMENT IMPLEMENTATION ACT, 1996

#### LOI DE 1996 METTANT EN OEUVRE L'ACCORD APPELÉ INTERNATIONAL FUEL TAX AGREEMENT

Mr Johnson moved second reading of the following bill:

Bill 48, An Act to implement the International Fuel Tax Agreement / Projet de loi 48, Loi mettant en oeuvre l'accord appelé International Fuel Tax Agreement.

**Hon David Johnson (Chair of the Management Board of Cabinet):** Bill 48 will clear the way for Ontario to join IFTA. IFTA is the international fuel tax agreement, and this is a piece of legislation that I suspect and hope will be supported by all three parties. Indeed, the previous government had attempted to implement IFTA during its jurisdiction and had taken great strides in that direction, but unfortunately, when it came time for the implementation it was determined that the computer system just wasn't there to support this agreement. Consequently, it did not proceed at that point. However, now I am pleased to tell the House that the computer system is in place and we are able to get on with this agreement.

The agreement will eliminate red tape for Ontario interjurisdictional truck and bus operators. Those are the truck and bus operators which operate not only in Ontario, obviously, but in other provinces such as Quebec and Manitoba, and also in the States, which would go across in the United States into New York, Pennsylvania or any number of states. It would significantly reduce their paper burden. This, of course, is consistent with the efforts of the Red-Tape Review Commission that is in operation at the present time.

It is an agreement among participating North American jurisdictions to establish uniform laws for taxing the fuel — primarily diesel — used by interjurisdictional trucks and buses. At the present time all of the other provinces are part of this agreement, and the vast majority of the states in the United States are also a part of this agreement. Ontario is one of the last jurisdictions in North America to be part of this agreement.

To meet the IFTA requirements, we have made the necessary changes to the Gasoline Tax Act to permit the calculation of tax liability based on the use of interjurisdictional trucks and buses in Ontario. With IFTA, Ontario-based truck and bus operators will need to register only once, and that one registration will be here in the province of Ontario.

Unfortunately the current system, because Ontario is not part of IFTA, requires those truck and bus operators who would operate in other provinces and states to register in each and every one of those states and provinces. Of course, that is a paper burden as a requirement on the business community.

Not only that, but it requires the truckers and the bus industry in Ontario to keep track of precisely how many

kilometres or miles they have totalled in the other states and provinces, and to deal directly with those states and provinces in that regard. There's quite an onerous administrative burden on the trucking industry and the bus industry in Ontario that isn't faced by the industry and other provinces and states.

The industry will also purchase decals only once, and that will be in the province of Ontario, whereas under the current system they have to purchase a decal for every state they might operate in, for every province they might operate in, again an administrative burden.

They will file one consolidated tax return that covers every jurisdiction their vehicles travel through. At the present time, as I alluded to in my earlier remarks, they must file tax returns in each state and province in which they operate. Under the old system they were required to register, purchase decals and file separate tax returns in every province and state their vehicles entered.

The initiative is strongly supported by Ontario's truck and bus industry, I'm delighted to say, and I personally have contacted the primary participants in this industry. For example, the Ontario Trucking Association, which represents apparently about 75% of the Ontario trucking volume by revenue, is strongly supportive of this initiative. The Ontario Motor Coach Association is strongly supportive of this action. Comcar Owner-Operators' Association, another big participant, is supportive. The Private Motor Truck Council of Canada, the final major participant, is also supportive and urging this government and all the members of this Legislature to support this legislation.

If we are able, as I believe we will be, to come together and support this legislation, then we are on a timetable which will permit the passage of this bill, which will permit the IFTA organization to review Ontario's case. I believe that review will indicate that Ontario should come into IFTA, along with all of the other provinces, along with almost all of the states in the United States, and be an equal partner.

That review will take place over a number of months. Beyond that review, Ontario will be able to set in place a registration process. All of that should take place and be successfully completed by January 1 of next year. Consequently, the trucking industry and the bus industry will enter into IFTA, the international fuel tax agreement, by January 1 of next year.

That is later than the industry would have hoped for a couple of years ago, but I have given my pledge to the trucking industry and the bus industry that the government would do all within its power to expedite this process, to keep it moving ahead. I believe we have the concurrence of the other two parties in doing this, and if so, then I think we can have that in place by January 1 of next year.

If we could do that, that would be a major boost for a very important business sector in Ontario. I think all of us in this Legislature would wish that our trucking and busing industries could be on a competitive, level playing field with their competitors in other provinces and other states. This bill would go a long way to assisting in that regard.



With those comments, I will leave it at that and just hope we are able to come together on this, because even though we're not looking at a final implementation until January 1 of next year, the timing is tight in view of the necessity of the overall organization, the IFTA organization, to review Ontario's proposal and then to get on with the registration process.

**The Acting Speaker (Mr Gilles E. Morin):** Questions or comments? The member for Cochrane North.

**Mr Gilles Bisson (Cochrane South):** The member for Cochrane South.

**The Acting Speaker:** Cochrane South. I apologize.

**Mr Bisson:** Thank you very much. The member for Cochrane North is a nice person, but I reside in Cochrane South.

To the minister, I, along with my other colleagues, support the intent of what the bill here is bringing forward. Basically all it was to join the IFTA by January 1996 in regard to that agreement we had talked about in our budget of 1994.

I find it interesting, though, that the minister and the government can move so quickly on something like An Act to implement the international fuel tax agreement, dealing with fuel taxes to put them in line with how they're being dealt with in other jurisdictions, but we can't do it within our own jurisdiction.

I, like many other northerners, am having to pay as much as 65 cents a litre for the price of regular gasoline. When I came in, drove into Toronto yesterday from Timmins, the price of gas at the pumps was about 57 cents at one of the places I went to. It's interesting that you're able to move so fast on a piece of legislation like this, which I think is not a bad one, but I certainly would want to see the minister try to do something to deal with some of the price gouging that's going on within the province of Ontario.

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I recognize it is a federal issue, I recognize there is a federal Liberal government in Ottawa and there is a federal Liberal minister who could deal with this, but I would certainly want to see my minister responsible here in Ontario, who happens to be in a Conservative government, do more than just say it's the Liberals in Ottawa who aren't dealing with the question of prices on gas which they have the power to do, but see the minister actively pursue the federal government to try to deal with the question of gouging.

I am sure when the minister himself takes a drive outside of Toronto and pays the prices of gas that we're having to in places like northern and central Ontario, he too will be much appalled at the difference in gas prices we have within Ontario. I congratulate the minister on this piece of legislation, but urge him to go one step forward and say, "Let's push that Liberal government in Ottawa to deal with prices on gas."

**Mrs Elinor Caplan (Oriole):** The comment I would like to make is that I have always been supportive of seeing provincial barriers to trade across this country being lowered so that people not only have the opportunity to work, but that, for example, trucking companies that drive across this country see what would be called harmonization or reciprocity. I understand what this piece

of legislation does is achieve that reciprocity between the provinces and I believe that is positive.

I think, however, there are some things the minister could be doing which would create a more positive climate here in Ontario for truckers and businesses and for the consumers. People in Oriole are frankly fed up with gas prices. The gas stations in Oriole today are posting signs of 59.9 and 60.1 for regular unleaded gasoline. This particular bill is supposed to lead to fairer treatment and reciprocity for our trucking companies across the province and between the provinces. While that's fine for the trucking companies, and we certainly feel that is important for businesses, what about the average consumers who are facing what they believe and I believe are unnecessarily high gas prices here in the province of Ontario?

I was here in this House when now Premier Harris and former member of the opposition Norman Sterling stood in their places and said there was a role for the provincial government to take action on behalf of consumers who face unprecedented high gas prices. People are concerned about gouging today, and I call upon Premier Harris and Minister Sterling to put action and truth to their words in opposition and do something about high gas prices as well as this legislation.

**Mr Chris Stockwell (Etobicoke West):** I will join in the chorus of members speaking about the gas pricing issue. Frankly, I find the gas companies' particular attitude is — and I'm not going to say "gouging," because I don't have any evidence that it is gouging — but by the same token, it is certainly perplexing to live within the confines of Metropolitan Toronto on Monday morning and buy gas and then head to the cottage Friday afternoon and find it incredibly different than that Monday morning.

You can only assume that it's people going to the cottage. I can't think of any other reason why these prices have dramatically risen in such a short period of time. Then you come back into town Monday morning or Sunday night and you find the gas prices have all gone down. I don't want to suggest collusion; I don't want to suggest it's gouging. But I think it's time, as a protection to our constituents, that a very thorough and vigorous review of what is happening in the gas industry be undertaken.

I am not going to be a public apologist for big business in Ontario. I know full well that the bank industry drives me nuts sometimes as well; the gas companies and oil companies in fact drive me crazy. I don't believe, like I think a vast majority of members on this side of the House, they have absolutely all the answers to all the questions and they do no wrong. I think it's time we as a government took a very active and vigorous approach to what is going on in the gas and oil price industry.

Let me just say finally, I followed it to some degree in the last little while and I keep hearing from the oil executives that when the price abroad goes up, we must raise the price at the pumps, and it seems to happen the day after it goes up. I'm not sure how the oil arrived in one day from those spots around the world, but when the price goes down, it takes months for this price to be



reflected at the pumps. I think there's something really wrong here.

**The Acting Speaker:** Further questions or comments? Minister, you have two minutes to reply.

**Hon David Johnson:** I think those comments from the members for Cochrane South, Oriole and Etobicoke West bode well for this particular legislation in the sense that all of the discussion was about another issue which may seem related but in actual fact is really not related. At least two of the members indicated that this is a good avenue to pursue. It will in fact promote a level playing field for the trucking industry, the busing industry in Ontario, which is currently being penalized because we have been unable to become a part of this agreement which all other provinces are a part of and which most of the states are a part of. I sense from the comments to this point that people agree that we proceed. Certainly the former government thought we should proceed, and because the computer system was not able to support, they weren't able to proceed, but it was their intent to proceed.

In terms of the comments that have been made with regard to gas prices in general, it's impossible for me to say anything other than it does amaze me as well, I must say, that the gas prices bounce around. The Minister of Consumer and Commercial Relations has expressed the government's concern about this, expressed it directly to the federal minister in Ottawa. Apparently some actions are being taken. The minister himself stood up here in the House and indicated that he'd be in contact with the heads of the major oil companies. This government remains concerned about that and hopefully the government in Ottawa will actually do something about that and make some sense out of that whole situation.

**The Acting Speaker:** Further debate?

**Mr Gerry Phillips (Scarborough-Agincourt):** I'm pleased to join the debate. This is one of many tax bills that we'll be dealing with, Mr Speaker. As you know, the budget has provisions for changing 13 or 14 different taxes, and this certainly will be one of those bills where we are going to be dealing with changes in taxes.

The bill is interesting. There's one aspect of it that we'll be looking for some clarification on, and that's section 15 where it says: "These amendments authorize the minister to make regulations prescribing conditions and restrictions affecting interjurisdictional carriers and governing the issues and use of decals and prescribing fees for them." That sounds a little all-encompassing, and perhaps during the debate we can have clarification from the government on what they mean by "conditions and restrictions."

I don't think there's much doubt that our future in Ontario depends very heavily on our ability to deal effectively with our trading partners. It used to be that 85% of our exports went to the US; it's now 90%. That always surprises me, because at a time when we talk about becoming more of a global trading province and doing more business internationally, our percentage of exports is increasing dramatically with the US. The last time I looked, our dollar volume with countries outside of the US with which we do business was declining. I just mention that because I think we're missing an

enormous opportunity for developing international trade besides the US.

None the less, clearly our economy, particularly Ontario's economy and particularly our auto sector, depends very heavily on our ability to deal effectively with the US, especially the bordering states. Our caucus is very supportive of things which will ensure a very strong manufacturing sector here in Ontario; there's a lot of focus on the auto sector, but all the manufacturing sectors. Measures that will help us to enhance our trade with the US are measures we will be supportive of. This bill appears to be helpful in that area. It appears to be helpful in facilitating transportation between Ontario and our neighbouring provinces but also with the bordering US states. For that reason, our caucus is generally supportive of this bill.

1540

I will say that at the same time as the bill is being introduced, the government has presented a budget that has the potential to undo a hundred times the advantages that may be contained in this bill, or a thousand times. As you look at the investment Ontario is making in the infrastructure — all of us who talk to our business sector hear it is absolutely fundamental to the future of Ontario's industry, particularly the manufacturing sector, that we have a strong infrastructure, yet I see in the budget that the government plans to reduce its investment in transportation capital. This is the money, obviously, that is put into our transportation infrastructure.

Four years ago it was \$1.8 billion; three years ago \$1.7 billion; last year, the first year of the new government, it dropped to \$1.4 billion; and the plan now, as the government members can see, is to take it to \$1.2 billion. Over a three-year period we've seen the investment in our transportation infrastructure cut by a third. One only has to drive the roads of this province to appreciate how it is beginning to crumble. No government that has been in office for 11 months can be blamed for the crumbling, but it certainly can now begin to be held accountable for the lack of investment to fix it.

I understand that the government has to slash spending to find the \$5 billion for its tax cut, I understand that's your fundamental philosophy, but already we're beginning to see the price that Ontario is paying for that. We're seeing it in our hospitals, where you've cut their budget by 18%. We're seeing it in the classroom, where for all of us who spent last week in our constituency — and I certainly was in a number of schools finding the implications of the cuts taking place in education. We're now finding the cuts you're planning in the infrastructure of Ontario.

There is no doubt that it is perhaps easy to cut those things right now. As a matter of fact, your government has planned to cut its spending on capital again next year. You cut it this year by \$800 million and you're going to cut next year by another \$500 million — dramatic cuts in the infrastructure of Ontario.

We're dealing with a bill here today to be helpful to our transportation sector and to be helpful to facilitating movement of goods and products around Ontario and to our neighbouring states and provinces. This will be



helpful, but it is being undone at exactly the same time by dramatic cuts in spending on infrastructure.

Frankly, the claim, "We're putting together a fund here to invest in roads," is all smoke and mirrors. You can't hide the facts. The budget facts are that you are cutting from the infrastructure spending in this province: You've cut from \$3.5 billion to \$2.7 billion and next year to \$2.2 billion. You are slashing the infrastructure spending. My colleagues say yes; they're nodding.

The end result of all that, of course, is that we are beginning to see our infrastructure crumbling. There's no question of that. You can't cut infrastructure spending almost in half over a three-year period and not find some real, long-term, major implications to that.

I know why you're doing it. You ran on a platform of a 30% cut in personal income tax and you've got to find that money. Sometimes the easiest way to find money — it's like in your own personal home life — if you do not have the money is in beginning to skimp on the maintenance of your house, and you don't do the necessary maintenance. Eventually the thing starts to crumble, as we all know. I absolutely guarantee you that the cuts you are forcing into the infrastructure will come back to haunt Ontario year after year. I guarantee you that as we head into the next election, all around us we will see the implications of the reduction of infrastructure spending. You are taking it back to levels we have not seen in at least 10 years, cutting infrastructure spending.

There once was a study done which showed that just to maintain the infrastructure in Ontario required at least \$4 billion a year in investments in infrastructure. You are cutting it to about half that. Why? You're doing it to fund the tax cut, no question of that. As we deal with this bill that is designed to say to our transportation sector, "We want to be helpful," and we certainly want to be helpful, designed to facilitate doing business with the other provinces and particularly with the neighbouring states in the US, at the same time you're doing that, you are making dramatic changes in the infrastructure.

Time will tell about the climate you're creating in Ontario. Make no mistake that the future of Ontario rests very heavily on companies and organizations prepared to invest where they see a good, solid future. Time will tell on that, but some things we're now seeing, the lack of investment in infrastructure, I believe a lack of investment in the health sector — I don't think you can take 20% out of the hospital sector and not begin to have a serious impact; I don't think you can deal with doctors in the way they're being dealt with right now and not see a serious impact.

When you talk to investors about whether they're going to invest in Ontario or Michigan or Ohio or Manitoba or Alberta, what is one huge advantage Ontario has? It is our health care, absolutely without question. When you talk to the major automotive companies, they say: "This is a huge advantage Ontario has. We are paying maybe 2% of our payroll on health costs and in the US we'd be paying 10%. We have an enormous advantage." We are beginning to see the erosion of that enormous advantage.

All the good of this bill, which we're being asked to deal with quickly, and we do not have a difficulty in

dealing with it quickly, is being undermined by the roads beginning to crumble.

**Mr Gilles Pouliot (Lake Nipigon):** Literally.

**Mr Phillips:** Literally. I was on the road early this morning trying to get my wife to the airport. She missed her plane and was very angry with me. The reason was that the roads were jammed, absolutely jammed.

**Mr Stockwell:** You left late, Gerry.

**Mr Phillips:** I left a little late, I confess, but not overly late.

For those of us who drive along the 401, there was a chunk of concrete literally that size. All of us know this is happening. As a matter of fact, the Provincial Auditor made a major point of this in one of his recent reports, saying this isn't the time to be cutting investment in our infrastructure. At the very least it's time to be maintaining our investment, but no, this government has decided to slash investment and is slashing it dramatically.

We're dealing with a bill to implement an international fuel tax agreement designed to help with our competitiveness at the very same time that we are undermining it.

**1550**

I don't think there's any doubt that we, all of us in this Legislature — I was going to say we on this side; I think all of us in this Legislature — are perhaps most concerned about jobs, and this bill, I hope, has a positive impact on jobs. It can't be dramatic because it's not a huge step, but it's a step forward. But as I say, at the very same time as that is happening, what is happening on the other side?

The manufacturing engine of Ontario, without any question of a doubt, is the auto sector, and what's happening there? Just-in-time delivery depends on an infrastructure where we have a first-class road system. That is being undermined. Our auto sector has invested in Ontario for a variety of reasons, but certainly our very competitive health care system is being undermined. I'm worried about the impact on jobs of these things.

Perhaps the most disappointing thing in the Ontario budget was the fact that we had been expecting that the government actually was going to have a plan to see jobs created at a significant rate. What did we find? We actually found some very interesting things in the budget.

The first thing was that for the next three years, the government predicts the economy will grow at a slower rate than it has in the last two years. That was quite surprising to many of us. The Common Sense Revolution was sold to the public about a year ago. A year ago, as you know, we were right in the middle of the campaign.

This bill, as you point to the bill, Mr Speaker, is designed to increase our international competitiveness, to see jobs created in the province of Ontario, and we expect to pass this bill. But what does the government predict? Actually, the government is predicting more people out of work. This is the government's prediction on jobs and the number of people out of work. They're actually predicting 25,000 more people out of work in Ontario in 1996 than in 1995, and after three years, in 1998, still more people out of work than there were in 1995. That is quite astonishing, that here we are dealing with bills like Bill 48, designed, we believe, we under-



stand, to see jobs created, but we're still going to see more people out of work in 1998, three years into the Common Sense Revolution, than the year they came into office.

As I say, the economy is expected to grow this year, 1996, by 1.9%; next year, 1997, by 2.8%; and 1998, by 3%. That is a much slower rate than the final years of the previous government. So here we are, the Common Sense Revolution into full swing, the government having control of the agenda, and yet we find the number of people out of work growing, which is shocking, that there are 25,000 more people out of work this year than there were last year, by the government's own admission, the economy actually slowing down in 1996 over 1995 or 1994, even though the Common Sense Revolution is in full swing. We find that the number of unemployed young people is now approaching 30%, an astonishing and I think a disgraceful figure.

But here we have this tax move, and as I said, I think it's important that we deal with this tax bill in the context of all the other tax measures the government is proposing. Those, for those people who follow the budget, are on page 22 of the budget. But what is driving this government is that it has got to find \$5 billion to fund its tax cut. That's the annual cost of it, \$5 billion. It's 10% of the revenues of this province that have to be found for the tax cut. We all know that there are many people out there, I'm sure, who are cheering the Conservatives on, saying: "Get on with my 30% tax cut. I'm really looking forward to it." But the cost of it is this: For the next four years this government will increase the debt of this province by \$22 billion. That is about \$8,000 for every household in this province. Every household in this province will owe \$8,000 more per household in new debt as a result of this government over the next four years continuing to run significant deficits, and over half of that can be directly traced to the tax cut.

Many of my friends say, "Listen, Gerry, I'm looking forward to the tax cut." I say: "Okay, fine. Do you know where the money's coming from?" They kind of assume the government's running a surplus. I say, "Listen, the government has to go out and borrow, over the next four years, \$22 billion just to pay for the increase in debt over the next four years." Every penny has to be borrowed. I say: "You realize you're going to also pay on that over the next four years \$5 billion of interest, just on that? Why? Because in that period of time the government is going to have a \$13-billion tax cut." It's phased up; it finally becomes \$5 billion a year. So it is a phoney fiscal plan in the sense that every penny of it, every penny of the tax cut the government has to go out and borrow to give people the tax break.

I was fascinated by Premier Klein's comments. His advice to the government of Ontario was: "Forget the tax cut. Get your fiscal house in order. Get your budget balanced. Then you've got the funds to be looking at a tax cut." But no, this government has in its wisdom said it ran on a platform of a 30% tax cut, it got elected on a platform of a 30% tax cut and, as we've often said on our side, the day that came out — and by the way, it was almost two years ago exactly that the then opposition party brought out its platform of a 30% tax cut — the

advice we got then was that it was fiscally irresponsible and could not be done; simply allow the public to look at it and find it for what it is, which is a fiscally irresponsible promise. But, as we've often said, that didn't happen. They got elected and they are proceeding with it. But every penny of that tax cut is borrowed money, money the government doesn't have, money the government's got to go out and borrow to pay for the tax cut.

The reason I go through that is that this is but one of the tax bills. I think it's important to keep this tax bill in the context of the other tax measures that this government has got to implement. We found it interesting that the tax cuts they said were going to be the job-creating tax cuts, namely, the employer health levy — they said, "We're going to immediately eliminate the employer health tax on the first \$400,000 of payroll." That was going to be a big job creator. That's one you've delayed, as the government members know. You don't begin implementing it until 1997. Yet all of us in this Legislature agree, I think, that employment is our number one economic problem. A big job-creating tax cut was going to be the employer health tax, but you've delayed that until January 1, 1997, and then it's implemented over three years, much slower than the government implied it was going to do.

#### *Interjection.*

**Mr Phillips:** The member says, "Not going fast enough." I think your plan is wacky. I said that during the campaign. But you ran on the campaign as saying these were our great job creators. I'm saying to the government members, you can't have it both ways. You can't say, "This is our great job creator and this is going to be the great engine to generate jobs," and then for whatever reason delay implementing it. I think the 30% tax cut is fiscally irresponsible. Every person we talked to said: "This is unaffordable. It will not create jobs at anywhere near the rate you're promising. It will simply mean we've got to borrow, borrow, borrow to pay for it." **1600**

I know the reason why you're doing the 30% tax cut. The reason is that the true believers, the Common Sense Revolution believers, say, "The real agenda here is, let's get that tax cut in because we will dry up the revenue sources for government." If you dry up the revenue sources, you dry up government. I think they will be the first to admit it. That is the fundamental agenda of the true believers in the Common Sense Revolution.

They say a secondary advantage is that when you make the cuts, it will be helpful to the economy. Tax cuts, every economist will tell you, have a positive impact on the economy; if you cut taxes, it has a positive impact. But every economist will tell you that the expenditure cuts you're imposing are going to throw so much cold water on the economy.

The tax cuts are going to be used for these three things: First and foremost, they're going to be used to pay down personal debt. Personal debt right now is running at an all-time high in Ontario. Every economist has said that's where it will be used first and foremost; secondly, for savings; and thirdly, people will spend a portion of it, without question. But the first two are going to go into paying down personal debt, and savings.



What we're dealing with in this package of tax cuts are measures that in our opinion are not going to get our fiscal house in order. They are causing you to make cuts in programs you promised you would not make. I don't think there's much doubt that one of the key reasons you got elected was that you said you would guarantee funding — in fact, those were the words as I recall them during the campaign: "This plan guarantees full funding for health care, law enforcement and education spending in the classroom." Yet the tax cut will force more and more cuts in those three areas, cuts they said they would not make. This bill is part of that total tax program.

I know the Speaker is anxious that I stay on Bill 48, but I would say that because it is a package of bills dealing with budget measures, as the government itself will say, we can't deal with one of these things in isolation. The other parts of the tax program have to be dealt with as part of this package. My apologies, but I don't think we can separate them.

As I say, the biggest risk to Ontario's future, without question, is the 30% cut in personal income tax. I believe that to my core for these reasons: It's going to get our fiscal house in worse shape; it is forcing this government to make cuts in expenditure areas that you promised you would never make.

Just last week, the Ontario Good Roads Association reminded us that the then opposition member, now Premier, promised that he would maintain and indeed enhance spending on our infrastructure, on our roads system. What we found in the first budget this government presented was a dramatic cut — and it is a dramatic cut — in infrastructure spending, almost cutting it in half over a three-year period. You can't do that. You cannot cut support for the infrastructure in half and not expect a substantial decline in the quality of that infrastructure.

All of us understand that these are difficult times fiscally and financially, but why are they particularly difficult? It is because this government has said that it is going to cut 10% of its revenues in the form of a tax cut when most people would say, when they look at the finances, "It can't be afforded."

In the budget, dealing with these various matters, the one thing that is important to recognize on the tax front and on the revenue front is that I don't think there's any question that the 1996-97 budget, the one that was presented just a few weeks ago and that is the first fiscal year of this new government, has been put together in a way that I don't think there's any doubt the government will hit or exceed its numbers.

How was it done? It was very clever. The first thing that was done was that a lot of expenses that were due in this fiscal year, 1996-97, were conveniently moved back to previous fiscal years. As a matter of fact, the government called them "restating a prior year of public accounts." That's a clever little way of saying, "What we're going to do is take a bunch of expenses and put them back into previous fiscal years," go back and simply say, "Well, 1993-94, we're going to assign" — this was three fiscal years ago — "\$450 million of expenses to that year, and we'll just increase the deficit, reported deficit." In 1994-95, two years ago, another almost \$300 million — \$230 million in student loans, \$82 million for

grants to school boards — "We'll just simply increase the deficit in that year." Last year, the fiscal year that just ended, the government put a whole whack of expenses that are going to be incurred this year — they're going to be incurred this fiscal year — into last fiscal year.

The second thing the government did was to delay the implementation of the tax cut, hold it back a little bit, push it back a little bit. Those two things mean that I don't think the government will have any difficulty in hitting its fiscal targets for 1996-97.

The problem all of us begin to get into is that we are sowing the seeds of major problems in the years ahead, for these reasons: You're not going to be able to move expenses back into previous fiscal years. That is over. You get one shot at that. You come in; you get one shot at it; you've done that.

The tax cut — and I have no doubt you are 100% committed to it; you will do it — will cost the number you've got in the budget. The tax cut, the cut in personal income tax, will cost \$5.4 billion fully implemented. I have no doubt the government will do that. But the problem we get into, as I say, is that this fiscal year is relatively clear sailing, because the government has been very clever in moving expenses into previous fiscal years, blaming it all on the NDP, and moving the tax cut forward a little bit. But we are beginning to sow the seeds of some very major problems.

Again, I have no doubt, because I know what the philosophy of this government is, certainly of the Premier, and that is, as the going gets tough, and it will, the tax cut is guaranteed. You're going to do that because it is a core belief, it's a religion, it's something this government believes in above all.

The deficit has to be met. It means that you will cut more expenditures than you have promised. We've already seen you cut in the classroom when you said you wouldn't, health care when you said you wouldn't, law enforcement when you said you wouldn't and the infrastructure when you said you wouldn't, and you've still got substantial more cuts to make; not announced, substantial more cuts to make.

The reason for going through this is that, as we look ahead, it is inevitable that the moves this government is making are beginning to set us on a course of significant problems. As I say, the government announced a series of expenditure cuts. There is still about \$2 billion more in cuts that have to be announced. The Conservative caucus has not been told about them; the public hasn't been told about them. They go well beyond what was promised in the Common Sense Revolution but inevitably have got to be announced and implemented. It's part of this total tax package we're dealing with.

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I must say, still a little bit on the games being played, I was interested, because this impacts on the tax one, that the projected debt was supposed to go up by \$4 billion this year. That's a cute little game, because the deficit is going up \$8 billion; the debt is going up \$4 billion. How could that happen?

**Mr Stockwell:** We borrowed wisely.

**Mr Phillips:** The member for Etobicoke West said, "We borrowed wisely." They did borrow. The govern-



ment came into this fiscal year with \$11 billion of what's called liquid reserves, essentially cash on hand. You're not fooling anybody for more than a day or so. What the government did was go out and borrow a pile of money. Then they could blame these people — these are the NDP here — saying, "Well, you left us with this big debt." You did leave a big debt, but it was several billion higher. Then you say this year: "Well, we're only going to take the debt up by \$4 billion. We're very good money managers." The public I think realized that what the government did was it went out and took out a big loan just before the end of the fiscal year. They came into this fiscal year with \$11 billion cash — unheard of. Never in the history of the province have we been anywhere close to that.

**Mr Stockwell:** We're very liquid.

**Mr Phillips:** "Very liquid," the member for Etobicoke West said. I will say this: The money was borrowed at good interest rates. No one could accuse the government of borrowing money foolishly in the sense of the interest we're paying on it. In fact, I think one of the things that has been well managed in this province is its borrowing.

**Mr John R. Baird (Nepean):** Not that we shouldn't be doing it.

**Mr Phillips:** We shouldn't be doing it. I don't disagree with that, but Ontario has won trophies for borrowing, literally.

**Mr Baird:** Your government. Your minister.

**Mr Phillips:** The Conservative members are provoking over there, saying it was the previous Liberal government and what not. I just say once again to the Conservative members, check into the record. I know that Mr Eves and Mr Harris and caucus probably say, "Listen, we're really good money managers and those dastardly Liberals are bad," but go back and check the record, just because they were there then. None of you were there then. They were there when the Conservatives went 15 straight years never balancing the budget. Check the deficits they were running then when Mr Harris and Mr Eves were around in the previous government. The deficits were averaging \$2.7 billion, huge deficits. They were taking the debt — well, I've got the numbers here. I want to give you these just so in caucus some day you can say, "Say it ain't so."

**Mr Terence H. Young (Halton Centre):** You're living in the past.

**Mr Phillips:** The member says we're living in the past. Let me just say that every day, Mr Harris, with his very selective memory, says, "Well, gee, we were left with a very tough problem." He was part of the previous government. They went 15 years and never balanced the budget. In their last five years — this is when Mike was around; he was in cabinet — here's what was going on: deficit per budget, \$2.7 billion. Growth in spending per budget — listen to this one — 12%. Every year he was there, the budget went up 12%.

**Mr John Hastings (Etobicoke-Rexdale):** Shame.

**Mr Phillips:** "Shame," the member says. I agree with it. The growth in the debt per budget when Mr Harris was around before: 11%. Here's an interesting one. The number of tax increases per budget when Mike Harris was in cabinet before: six tax increases every budget. As

a matter of fact, they took the tax revenue per budget up almost \$600 million every single budget.

I don't know whether I brought it — ah. I always carry the last Conservative balanced budget around with me: 1969.

**Mr Baird:** That is when I was born.

**Mr Phillips:** It was the year you were born, as one of the members said. The reason I go through all of this is that it is a myth. It's a myth that Mr Harris and Mr Eves are the great money managers. I say to you all that the 30% tax cut is going to get you.

**The Acting Speaker:** Order. I'm afraid the member is fuelling a different debate. I would remind you to come back to the issue, which is on the fuel tax agreement. Thank you.

**Mr Phillips:** Yes, I was provoked, though. Will you acknowledge that, Mr Speaker?

**Interjection:** I agree.

**Mr Phillips:** I will confine my remarks to Bill 48, An Act to implement the international fuel tax agreement.

In fairness to the opposition, I think we cannot deal with tax bills in isolation. I think we are dealing —

**Mr Baird:** This isn't a tax bill, Gerry. You didn't read it.

**Mr Phillips:** I think it's a bill and it talks about tax, so I assume it's a tax bill. Maybe the title is wrong and it hasn't to do with tax, but it is a tax bill. The reason I raise it is that we're being asked to deal with a whole package of tax measures. If we try to deal with them in isolation — as the government itself acknowledges, it is part of a package. I hope that we would be allowed to try and put this tax measure in some context because, as the minister said in his remarks, this is part of their economic plan; it's part of their tax plan. Our concern with the bills — this particular bill I think has merit, and our caucus certainly is supportive very much of the direction it is taking, but it has to be viewed in the context of all the other things that are going on with tax measures.

I went through putting this into context because the two managers of this government — I don't think there's much doubt; obviously the Premier is, but I don't think the Deputy Premier. They are the two who were around before and they often will refer to previous administrations. The Premier I think in both his answers today was referring to them. I just think it's important that if they want to go back in history, history didn't stop 10 years ago. History goes back to the time when they had a chance to put their finger on government and have their imprint before. What did they do then? As I just went through, they never balanced the budget; deficits were running at an incredible rate.

The reason I point that out is that I found in the budget a couple of useful tables. The one on page 59 shows the balanced budget. This is straight out of your own budget documents and shows the deficit declining significantly. As a matter of fact, if you go to the 10-year statistics on page 71 of the budget, you can see the deficit in 1987-88 was \$2.4 million, \$1.4 million and a surplus.

I want to go over that with the members to remind them that in caucus, I'm sure, Premier Harris comes in and says: "Well, we've got to keep on those Liberals because they won a by-election. We can't let them get off



the map. Let's blame them for the fiscal problems." I say to you that finally, if you balance the budget in 2001, which incidentally is a year after the next election, it will have been in total 21 years of Conservative governments without a balanced budget until then.

I point out the things that I think the public should be conscious of, that certainly the caucus members are conscious of, the little games that have gone on in the budget to move expenses from this fiscal year into previous fiscal years and move tax revenue losses forward.

I don't know whether one of the Conservative members is asking for more information on that or not, but it is clear in the budget document, proudly, that the government has been able to move hundreds and hundreds of millions of dollars of expenses back into previous fiscal years.

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On the bill, as I say, we very much are supportive of finding ways to help our Ontario industry compete. I believe, and I think most members of the Legislature would probably agree, that we have enormous advantages here to compete around North America. As someone once said, our major cities in Ontario are closer to more major US cities than any US city, because we are geographically located between Chicago and Detroit, Cleveland and Buffalo, New York and Boston. We are geographically in great shape.

If you talk to manufacturing operations and other operations that have businesses in Ontario and then many US states, they will say that our labour force, the talent and the work capacity of our labour force in Ontario, is excellent and second to none. We have an extremely good education system. Our health care system is an enormous advantage. As I said earlier in my remarks, talk to any of the major auto sector and they will tell you this is an enormous advantage over any of their US plants, the way health care is handled.

By the way, I realize that many businesses have some difficulty with the employer health tax, but right now less than 10% of our health spending in Ontario is funded from the employer health tax; 90% of it comes from elsewhere.

**Mr Baird:** You voted for our health tax, didn't you?

**Mr Phillips:** The employer health tax, I'm saying, is a tax that funds a maximum of 10% of our health spending. We have an enormous advantage, on our health sector, in terms of developing our businesses in Ontario.

The reason for all of that is to say that I think this bill is useful, useful to speeding up international trade. I must say, I was impressed with the technology that the new 407 toll road plans to use. It's another way of using and adapting technology to speed up trade. Trucks won't have to stop and pay a toll; they'll be electronically billed, which speeds trade up. Anything we can do, consistent with preserving good environmental standards and health standards, to make Ontario a place where businesses want to invest and grow is good, and this is a small step.

The problem, as I said, is that at the very moment this bill is being dealt with, this budget is dealing with dramatic cuts to our infrastructure. It is dealing with some very significant changes in the quality of life that

Ontario has enjoyed. I don't think there's any doubt that the expenditure cuts we're seeing will have a substantial impact on the quality of life in Ontario. The minor advantages in this — and there are advantages to industry and we will be supportive of this bill — I think will be dramatically offset by the other measures in the budget bill.

I'm pleased we had a chance to put this into a context. I appreciate that we've ranged slightly on the bill, but on a tax bill, it's required to put it into context. Unfortunately, the good being done by this bill is being offset by substantial measures that will play a much more negative role in a whole series of areas for our manufacturing sector.

**The Acting Speaker:** Questions or comments?

**Mrs Marion Boyd (London Centre):** It's always a pleasure to hear the member for Scarborough-Agincourt, who has a very good grasp of the intricacies of budgeting in this province. He's quite right to say that we must look at this whole budget in the context of all of the changes that have happened, the changes in accounting that have happened — I was very pleased that he pointed that out — and the changes that have happened in terms of the way in which this government has made most of its cuts outside of a budget and then presents a budget as good news.

This bill is one part, as he says, of the tax regime in this budget. Although in and of itself it may prove to be of some effect in terms of dealing with some of the fuel tax issues that have arisen over many years, that would only happen, as I would remind my colleague from Scarborough-Agincourt, if there is agreement with the federal government. I sincerely hope that our Liberal colleagues in this House will be encouraging their federal counterparts to do their part in this issue.

When we talk about these issues, very often the general public thinks they're too complex for people to understand. One of the reasons I wanted to comment on my colleague's speech is that he lays it all out in a way that helps everyone understand that we can understand budget matters, we must understand budget matters. If we understand it, we must speak out when we see the kind of actions this government is taking in trying to fool people into believing there is a whole different kind of financial trickery going on in Ontario than is in fact the case. I thank my colleague for his comments, and I'm sure the rest of the debate will be equally as interesting.

**Mr E.J. Douglas Rollins (Quinte):** I'd like to speak a couple of minutes on this bill. The idea that it is a tax problem — yes, it's been a tax problem for the province of Ontario for quite some time, since there's become a difference in the price of fuel, whether it's been out of province or out of state, if you want to call it. The Americans have long put large saddle tanks on their trucks to use on Ontario roads, and they make sure they're filled up when they enter Ontario. They use our highways.

Our colleagues across the way like to say that the highways are in terrible disarray. If we'd been collecting the right amount of taxes these companies have been getting away with — through this bill bringing that into being, these people will have to pay tax on the miles they



travel and the consumption they use within our boundaries, and then we as a government will receive back some moneys that we can put towards some of those road repairs. And yes, some of them might even be fixed in northern Ontario too, that they say are such a bad job.

**Mr Pouliot:** Sure, and I'm the Emperor of China.

**Mr Rollins:** We don't take our trucks as far as China. We generally kind of keep them onshore.

The thing of it is that those repairs are made here in Ontario, made by Ontario people, made by the Ontario taxpayer, but they're used up in good part by people who have not contributed to our fuel consumption tax in the province because they don't purchase it from our outlets here in Ontario. There's no restriction that those companies are made to purchase it here, but this will eliminate that and get us our fair share of tax back and it'll maybe save some of the taxes for other things we need to have.

**Mr Joseph Cordiano (Lawrence):** Once again my colleague the member for Scarborough-Agincourt is able to give us a very enlightened look at what has taken place with respect to budgetary measures that have been brought forward by this government. He defined that very well for members of the House, and they would have done well to listen to what he had to say, because he is very capable in these matters. He is once again proving that on this side of the House we will respond very effectively to the measures taken by the government, and he has pointed out once again the many myths associated with the initiatives put forward by this government.

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He pointed out rightly that the tax regime that will be put in place, the reduction that the government has talked about and only will begin to put in place some time later on this year, will have a very negative impact in terms of the borrowing requirements this government has to undertake in order to finance that huge cut. So let's not forget, let's not take our eye off the ball, that the borrowing requirements of this government will indeed increase enormously, and there is a cost associated with that. I think my colleague rightly pointed out that capital funding, the capital portion of the budget, will have been greatly reduced by the initiatives put forward by this government: \$800 million in this year, another half-billion dollars for next year.

Those infrastructure reductions cannot be sustained in this province, and my colleague rightly pointed those out. I think it was an effective statement and, as always, he put forward a very good point of view.

**Mr Len Wood (Cochrane North):** I rise with pleasure to comment on the speech from the member for Scarborough-Agincourt. He laid everything out quite clearly as to what the Tory government in Ontario is doing. This is only one portion of the budget, the implementation of the international fuel tax agreement, Bill 48, but we know that a lot of the agenda of the Tories, as the member has pointed out, is to find ways and means of user fees, taxes and one thing or another to be able to get money to give back to the 10% of the upper-income people in this province. The member has laid this out very clearly.

The comment I would make is, how do you expect to create jobs in the province if you're going to be throwing

thousands of people out of work and neglecting to repair the roads when people are paying a big buck for gasoline? We hear complaining in southern Ontario that people are paying almost 70 cents a litre in some areas for gasoline. In northern Ontario, that's been the way of life for the last year or so. There have been no fluctuations between weekdays and weekends on the price of gasoline; we pay the big bucks.

Now we find out that MTO is not going to plow the roads. They're going to send out the OPP to block them off, which is another hardship. They don't want to spend the money on summer maintenance or winter maintenance. These are hardships northern Ontario is going to have to put up with as a result of electing a Tory government.

During last week, constituency week, it's unbelievable some of the names that people are calling the Conservatives on the other side. They said, "What can you do about it?" I say, well, we have to wait three years until we elect another NDP government and everything will be better.

**The Acting Speaker:** Thank you. Your time has expired. The member for Scarborough-Agincourt, you have two minutes.

**Mr Phillips:** Just to respond —

**The Acting Speaker:** Bill 48.

**Mr Phillips:** Yes, Bill 48. You're very tough.

To the member for Quinte, my understanding of the bill is that I don't think it's designed to raise substantial extra revenue. I think the revenue right now is collected, but through quite a convoluted, bureaucratic way, and I don't think it's designed as a significant revenue generator. I realize the road to Belleville probably has a lot of potholes, but this won't fix the potholes on the road to Belleville. I'm just saying it won't raise much money. You're going to have to persuade your government to deal with it.

I think it is, as I say, part of a tax regime, and I was interested in the budget that virtually all of the government's new tax measures, new program measures, were what's called tax expenditures. Virtually all of the programs that were introduced were ones that essentially resulted in substantially less tax revenue coming in, as opposed to program spending. The only reason I mention that is because one way or another it is money that is being spent. There were about four or five programs, tax expenditure programs. I'm sure that will be the approach the government takes in the future. Rather than spending money on programs, it will spend money by reducing the tax payable.

On this particular bill, we in our caucus are supportive of it. As I said in my remarks, the challenge I think is going to be that every little bit of good that's being done by the bill is being dramatically offset by the negative measures in the budget.

**Mr Pouliot:** Bonne journée. Je sais que la semaine dernière que vous avez passée avec les gens de votre comté vous a été bénéfique.

A person had to be there. It's one of those moments you do not wish to miss as a parliamentarian. I'm referring — you've guessed it — to the participation, the intervention by the most distinguished and able member



for Scarborough-Agincourt. Mr Phillips is the finance critic. Aside from being the leader of the official opposition, it is well acquiesced that if you are the finance critic with the official opposition, it is the most important critic role. You are seen as being the alternative to Mr Eves, the present Minister of Finance, the Minister of Finance du jour.

Having said this, it is also acquiesced, recognized, that among all members of the opposition, when it comes to financial matters, the financial affairs of the province, Mr Phillips has the respect, admiration as a critic and also as a fine person and a very dedicated and good member.

Yet, Mr Speaker, it must be for those reasons that you, sir — a wise fox, you, sir — who have been here for almost 12 years, exercised extreme patience, for the member said a few words about Bill 48 — this is the order of the day — and chose the time to make a budget response. I understand the frustration, for when it was time to respond to the budget, the member, the critic, was not the one chosen by the party. So today, you let him stroke the ice. I can understand a bit of the philosophy, but yet the standing orders, Mr Speaker — and no one in this House knows them better than you, or should — have been so patient. If patience is a virtue, in the life after you might become a saint, for this guy here stroked the ice for 15 minutes, went all around the map, talked about Tom, Dick, Harriet, the kitchen sink and said very little about what is in front of us, Bill 48.

Oh, you're about to remind me, sir, in your wisdom that I'm not to do the same, for I am not the finance critic for our party. The chances of me becoming finance critic for our party are just as good as myself becoming the Emperor of China in our next tenure.

It was Floyd Laughren, the dean of the House, the member for Nickel Belt, who in 1994, in part of the budget statement, talks about the very same thing: interjurisdictional streamlining, reciprocal arrangements, making things easier, more expedient and better. Damn it, if I may be so bold; heck. We had a computer glitch. We were well-intended. We were right there. So what is being done today is the completion of what had been started by the previous administration.

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It does two things: It tells 57 other jurisdictions in North America, all the other provinces and most of the states, that we can collect diesel, we can collect propane, we can collect gasoline taxes better if we harmonize our collection system and therefore our remittance system.

For instance, if you're a bus operator or a truck operator and you own a few trucks, rather than paying in several jurisdictions — it makes it so much more complicated; it's time-consuming — now you pay your tax, you remit the tax in the jurisdiction in which you are licensed and in which you operate. If you are an Ontarian, you give to Ontario and let them take care of it with other jurisdictions. It's commonsensical and therefore we support the international fuel tax agreement.

But to enter this club of 57, you must produce the legislation as a criterion, as a condition of entrance, to become a member of the team. That's what is being done today; really no more, no less. Consequently, commercial

carriers, 95% bus and truck, will find the system more practical.

Mr Speaker, I know that you're an avid reader and I know that you don't miss opportunities to scan, to seek all kinds of information, so you would be au courant with one item that has been coming back more and more. Well, you talk about Bill 48. If you mention gasoline, diesel, how can you not be reminded of the practice of the high prices at the pump, prices that have culminated in an unprecedented high in the past few months?

I too, like you, have to keep abreast of the marketplace. I have to keep informed, so like you I follow the commodities, the futures market, anywhere from the Brent, New York, other mercantile markets, I look to futures programs — three months, six months — and the impact, the relationship it has with the actual price at the pump as we go down the line, if you wish.

I need not remind you that where I reside, where we northerners choose to live, those prices and their consequences take on extraordinary proportions. The distances are a lot greater than in southeastern, central or southwestern Ontario. We're 90% of the land mass. The riding of Lake Nipigon, with its fine people, is 26% of the overall land mass of the province. It's Canada, it's winter, but it's colder up north, so we warm the cars up. We take more fuel oil — sheltering, eating, part of all our daily lives.

I'll share something with you. Last week — it happens to all of us — it was my birthday.

**Interjections:** Happy birthday.

**Mr Pouliot:** Thank you, colleagues. I went to the local office in Manitouwadge, went to the MTO office, soon to be privatized by decree of these people there — fine office, fine people, the finest — and I got my little sticker. You know the one you get on the month of your birthday and you affix to your licence plates?

**Interjection:** The front?

**Mr Pouliot:** No, no. The back of the car, Mr Speaker, not the front. There's a little square there, and you paste it there and you have the option to do it for, seulement, only one year or two years. Guess what? Where I reside they give us the sticker; we take it for two years. We don't want to burden people, and we too are cognizant that one fewer transaction is better overall, and we don't pay for the privilege of driving the roads through the sticker provision on our licence plate. I'll tell you what: We pay. We pay at the pump. We pay dearly.

Not too long ago, and you will recall, you have a licence, an Ontario permit in good standing, I trust, Mr Speaker, and you used to, like all of us, drive your vehicle with leaded fuel. That was the only fuel available and it was suited for the engine. And I know you to be responsible; in fact, some have said about you, Mr Speaker, that you're spartan, frugal, within reason of course, and went to some — maybe the odd coupon. Why not? Remember when you used to change your old spark plugs?

Then they cleaned up, because environmentalists, and rightly so, put pressures on companies and so the technology is about to enter the marketplace, and now on the dash it said, "Use unleaded fuel only." But what is it? It's 65 cents, 66 cents per litre now. And increasingly so,



when you look at the dash, with the new technology, it says, "Use premium unleaded fuel only," a higher octane. I didn't know what it meant, but I too did some reading like you did, Mr Speaker. I had to, because I went to the pump and I saw 76.9 cents a litre. Being a person of —

**Mr Bisson:** Modest means.

**Mr Pouliot:** Everything is relevant, and yes, I can say — and I'm proud of my background — of modest means, and I see some people trying to indulge in the poverty game and find those matters farcical. They think they are being comical. Have you noticed that with rich people their jokes are always funny? They indulge in a so-called philanthropy, and sometimes it is surrounded by stupidity. There's nothing worse than a capitalist without capital or a bum with money. We have quite a majority here. We have quite a choice indeed.

That's 76.9 cents a litre I give at the pump, 15 cents a litre difference between the forgotten up north and the privileged down south. Chris Stockwell, the soldier, stood up a few minutes ago and said: "I can't say 'gouging' here. I don't know if it's parliamentary or not parliamentary." His pockets are empty. He's been taken to the cleaners. Don't you believe there is a little profiteering, like both hands in the pockets of consumers, that when commodity prices — Mr Sampson would know that better than anyone. He emanates not from Harvard Business School. He graduated there, then graduated from Chase Manhattan. He knows, but he can't tell. He can't say. They won't let him.

1650

It has been said that if the underworld went into the offices of some major companies, they would come out of there without their shirts. I mean, the voraciousness knows no end. You wait until the next long weekend, Mr Speaker, and we'll do this together. When your family is about to go on holiday, you watch the vultures descend on the pumps and pick your pockets, sir, and they'll pick them clean: The prices will go up four or five cents a litre before the long weekend. But when prices go down on the commodity markets, then they have selective amnesia, then they're a little sluggish. Something breaks down, so the prices don't come down. We all know this. We weren't born yesterday.

But the thing is, we are incapable, as governments, of dealing with the insatiable appetite of those conglomerates. They manipulate, those people, the conscience. And the consumer needs the product. They're monopolistic. They worship at the altar of the cartels. They'll even declare war to ensure supply.

We up north, one more time, pay a little more — the forgotten. If we need a medical appointment, if we're referred by the family practitioner, we have to go to Sault Ste Marie, 265 miles, 400-and-some-odd kilometres; or Thunder Bay is 400 kilometres as well. We give at the pump. I can't tell the doctor, "Doctor, feel my purse." I'm there for a different reason. When you do that for 25 years, you realize maybe invalids live longer. It's certainly not easy; it's difficult.

Fuel oil once a month, 180 gallons — "Come and get it, Harry." With those people, you don't question; you say little. In this kind of orchestrated cash system, you know your place. But with those people, it's always la

payola. Once a month for the fuel oil, three times a month in the gas tank, with longer distances — we rely on this government, the federal government, and ask them, "When is the gouging going to stop?" There has to be a little profiteering. We think about it, we suspect it, but we cannot, or we wish not to, find an arena to voice it: the most often thought about when you're at the pump, the least often talked about when you're in Parliament.

Patience is virtuous indeed. We don't mind paying our fair share. We have a pretty good life, when all is said and done. We can look to the future with confidence. We're resource based, and we're not a privileged but a blessed land indeed. We all know that. When asked, "Is there any other place you would rather live?" we almost inevitably, somewhat unanimously, say, "Of course not, but we need to change this and that." That's a normal reaction.

That the government would choose to finish what is almost done in its entirety is a housekeeping matter. That's why I've chosen to talk about gas prices, because I think it has a relevancy. You cannot escape. Whether we're talking about the remittance, whether we're talking about the collection, money changing hands, if we can find a vehicle to make it easier, it is our duty to do so.

The bill is not all that consequential. It's not a bill that excites people. In parliamentary jargon, it's not a bill that is very sexy. It's a bill that has a certain flirtation attached to it, meaning it has some attention without intention, if you wish. It does nothing to deliver an equilibrium vis-à-vis the gouging, the manipulation, the picking of pockets of seven million motorists in the province of Ontario, all becoming sacrificial lambs. If you give at the pump, by way of necessity you have fewer dollars to spend elsewhere. We all know that. Not only that, but the price of gas is an important component in the basket of goods and services. When it's time to calculate the CPI, there is no escape.

Mr Phillips, the member for Scarborough-Agincourt, talked about just-in-time delivery. No need to have five warehouses. The trucks go back and forth; everything is orchestrated; you put it on the assembly line and out goes the product. You burn a lot of fuel, but it's more efficient overall. They're advising their customers now that they will have to adjust the billing. If it was so much a kilo, so much a pound last week or two months ago, they've included a rider saying that if the price at the pump goes higher, the price of delivery will be adjusted to reflect the higher cost of doing business. The bread person, the mail person, the taxicab driver, the bus fares — no one escapes.

One of the most important components in our daily lives is energy, through diesel, through propane, through gasoline, through jet fuel, through heating oil, and it all comes home to roost. We see before our very eyes the lack of true relationship between spot and commodity prices and the adjustment down the line to the pump at the marketplace.

I'm not about to use parliamentary immunity, but I've heard it said that if it were conducted by an ordinary citizen, words such as "conniving," "price fixing," "thievery" would be used to describe the practice, but if it is done under the halo of sanctity, under the umbrella



of corporations, if it is done by people in suits, not in coveralls, extracting the wealth; if it is done by merchants, Mr Speaker. You know, sir, I once read in the Book of Books that the merchants were chased out of the temple, and when I read the Financial Post, I swear they have returned. They're right there.

1700

I too have been to my 12th year and joined the tenure, the honour, of representing to me what is, and I know I'm parochial, the best people, those of Lake Nipigon. It has to be the best job in the world, with daily challenges. This is getting to be a little too much. We can't ask the people that they tighten the belt one more notch.

Last week, constituency week — a true story. I won't name the person. I respect and value the friendship of that person. The person was just the recipient of a notice. The person works for the Ministry of Natural Resources, one of the thousands of women and men who are in the process of being or about to be axed. Like he said, he felt as if he had been kneecapped, someone had taken a steel bar to him. He's been an employee of the government, working for you and I, all of us, for more than 20 years.

This person is younger than I am. He just turned 50 years of age. He was concerned about application forms, résumé. He's got to find a job. These people told him he was too young to die but too old to work. Not rich. He raised a family. It's only, what, 15 or 20 years that people started to get a somewhat fair return on their labour investment. So family went off to school; those were to be the good years. In fact, he was quite happy because for the last three years his wife, the spouse, had a job and she was working half-time. The kids were grown and on their own, so now it was going to be the good times. The dream was to become reality, with some adjustment. I'm not talking about London Life, Freedom 55. This is a realistic person. He started to know, through reading, a little about RRSPs, which mutual funds. He put some money aside every payday: "Now we can afford it." Well, now he can't. Now he can't, because the dreams have been shattered.

Someone pulled the rug. By way of a letter — slap — what he feared most. He was put on a junk pile. So now he rides the big 50 and starts to wonder: "What happens at 50? Would I hire myself? Am I competing with people who are deemed to be better armed, better qualified?" Then, "last occupation," and he has to write down "20-year civil servant." For you and I, sir, honourable indeed, but for some others with an agenda, the word's out there and it's been fuelled. I'm not imputing motive, that if you are a civil servant you are not as worthy as a private entrepreneur.

A little loss; I think he'll be okay. But there are others. In fact it is said that there are some who will even hide the letter and will leave at the same time in the morning, trying to pretend that they still have tenure because they're too embarrassed to tell the loved one.

When we talk about Bill 48, a tax collection bill, we can say yes to expediency, but to get from point A to point B, you have to take some detours. You have to tell the truth. You have to point out the human dimension, that those are real people.

We will be supporting Bill 48. I want to share this with you, and I quote from a colleague: "Gilles, sorry I must leave. I would only hope that the House would sit past 6 o'clock, for there is so much to say about us people up north." I take it that this is one of our colleagues from the New Democratic Party. There are 15 seats in the great northern Ontario, and traditionally and to this day we occupy more than 50%; we have eight of the 15. Of course, Mike Harris — before the last election the Progressive Conservatives had two seats. After the election, they retained their seats and were unable to make any impact in our special part of Ontario.

I guess the philosophy, the message, differs greatly from Bay Street to Main Street in our hamlets, villages, small towns and relatively small cities up north. But we want to make our voices heard, that we, with our resources, represent the hands that give, that toil, that cut trees, that extract minerals. They only too often represent the hands that take without giving back, without being reciprocal to the extent that would allow us to share some amenities.

We know it's a tradeoff. We know we have to travel longer distances that will put in 30,000, 40,000 kilometres per year on vehicles. We know we will pay more per kilometre. But there has to be at one time a tradeoff. It's nice to be recognized. It's nice to be like others. Heaven will attest that we're striving to do that. There's no complaint. We're very good when it's time to send our resources, at great economic and human cost. There's no problem with recognition then. When we have to send our sons and daughters elsewhere to get a post-secondary education, well, that's okay too.

But let it not be that when we cease or are forced to cease employment, as a grand finale we must export ourselves. We're establishing roots. We are a proud people, a contributor, a maker of wealth, significant in the standard of living. We are not merchants; we are workers, we are providers, truly the salt of the earth. If in doubt, look at our hands. Look at our eyes and you will see the soul of the north to James Bay and Hudson Bay.

I could go on and on talking about the virtues of Bill 48. We started it. The Tories have chosen to go along with a Floyd Laughren initiative, and the marketplace, in a measured way, will respond and rejoice in saying to both, "Job well started and a job finished." I will end my remarks.

1710

**Mr Hastings:** I don't know where to start in terms of listening to the member from the great north, from Nipigon, talking of a Floyd Laughren initiative. It may have been in the budget of 1994, but why didn't they implement it?

To talk specifically to Bill 48, it deals with trying to reduce red tape, consistent with the philosophy of this government. What do we mean by that? It comes from the bureaucracy, and essentially it reduces the time-consuming efforts of many people who work in the transportation industry trying to figure out who allocates what differentials for fuel tax, under this international fuel tax agreement, to the various jurisdictions they travel through.



This bill simplifies that whole situation so that the Ministry of Finance will undertake the administration of an Ontario-based carrier in the transportation industry dealing with this situation, and we will have people being much more productive in terms of the workers, the companies that are involved in the actual business. Getting on with business is what you may call it in terms of trying to create some more jobs, even in northwestern Ontario, for those carriers that are Ontario-based, which will benefit from this proposal.

I don't know why the NDP didn't just pass this thing when they were over here and get on with it. Then we wouldn't have had to deal today with whether or not you have an Ontario-based education. That doesn't have anything to do with this bill.

Furthermore, it is a delight always to listen to whether it's "un grand spectacle" or an edifying "expérience" from the member for Lake Nipigon, but I wish he'd stay with the benefits of the bill.

**Mr John Gerretsen (Kingston and The Islands):** I too would like to join our colleagues in the House in congratulating the member for Lake Nipigon on yet another spectacular performance here today. It's always very nice to listen to him because you hear language being used in ways that you've never heard before. I mean that in a very appropriate way. He certainly paints mental images and pictures for us that I'm sure all of us can relate to.

I too concur with this bill. I think that anything that cuts red tape is to be commended. There are a number of other things, though, that he mentioned in his speech that I think we should pay special attention to, and one is the northern part of this province. I had the opportunity last week, together with other members of this House, to go on tour with the education bill. We stopped in places like Sault Ste Marie and Thunder Bay. They are only two of the main urban areas of the north, and there's a great area beyond that, but it does make you wonder why people who are so isolated in a lot of these areas, who rely so heavily on fuel costs — and he spoke about this quite extensively in his speech — should, in effect, be penalized on a continual basis. It's not just something that happens once, with a fee being imposed here or there, but it happens every time they go to the gas pump.

I would urge this government and the federal government as well — let them work collectively so that the kinds of hikes that we see take place right before holiday weekends or the kind of disparity we have in this country in fuel prices, across this province of ours, will be put to an end once and for all. It simply isn't fair to the citizens of northern Ontario.

**Mr Bisson:** The member from Nipigon shared his thoughts in regard to this particular bill, and I've got to concur with the member on a number of points, but the one I'd like to comment on is the relationship of gas prices across this province. I too agree with him that it gets extremely frustrating for people outside of Metropolitan Toronto and the GTA to look at what happens to the price of gas, never mind on a weekend but on a daily basis, when you live in communities like Timmins or Iroquois Falls or Kapuskasing, wherever it might be.

**Mr James J. Bradley (St Catharines):** All of the north; even St Catharines.

**Mr Bisson:** Even St Catharines, as my friend Mr Bradley has commented. It gets extremely frustrating.

I say, like the member from Nipigon, that we would really call on the government. We recognize that gas prices are not a provincial responsibility, and this is not a criticism of the government here on this particular issue, but we would ask the government to take a look at that issue a lot more closely and to urge the federal Liberal government to move and deal with the gouging that happens when it comes to the price of gas in this province. It is a real problem.

**Mr Bradley:** The Tories say it's taxes, not the gas companies. The Republicans say that in the States.

**Mr Bisson:** It's the taxes, not the gas companies, say the Tories.

First of all, on that issue I concur with the member from Nipigon. We need to get the federal government moving on this, and anything the provincial government can do in exercising its power and its influence on the federal government would be really good to get the Liberal government to bring the price of gas down by not allowing gas companies to gouge the consumer, never mind just what happens on weekends, but what happens on a daily basis in the north. On that, I would like to thank the member for his participation in this debate.

**Mr Baird:** I'm pleased to have an opportunity to respond to my colleague the member for Lake Nipigon. I want to congratulate him on yet another eloquent speech, the great gift that he gives of his oratory to the House. We get calls in my constituency office that the people from across the province take great pleasure in listening to the honourable member's speeches, and I mean that. We do actually get calls, and I've passed the very big compliments on to him.

I also appreciated the member's comments on Bill 48. Like him, I do support the bill.

He also painted a very great picture of northern Ontario. Those of us from southern Ontario always do learn a lot from the member's portrayal of the north and we always appreciate those comments.

He spoke of the forgotten north, and that was most interesting to notice on this side of the House, because I arrived from a small community of Ottawa-Carleton, one of the smaller areas of the province. We sometimes feel forgotten. We sometimes feel forgotten in the ridings in our area, but we look at this House: The Premier's from northern Ontario. The Treasurer and Deputy Premier is from northern Ontario. I look opposite from my place here. I look to the leader of the Liberal Party — from northern Ontario. I look to my colleague the member for Algoma, the leader of the New Democratic Party — from northern Ontario. Four of the five leadership positions in this place are occupied by members from northern Ontario, and that points to a very central role they continue to play in the political life of the province.

The member also mentioned in his speech that in his car, his modest vehicle, it says, "Premium fuel only." I went to the parking lot and checked my Chevrolet and I didn't see that sticker. I talked to my friend the member for Northumberland and we checked his Chevrolet. I'd



like to offer to help my colleague find it, because I'm sure his car would take the cheaper fuel.

**The Speaker (Hon Allan K. McLean):** I believe the allotted time has been used. The member for Lake Nipigon for two minutes.

1720

**Mr Pouliot:** I want to thank you, Mr Speaker, and through you, with respect, the member for Nepean, the member for Etobicoke-Rexdale, Kingston and The Islands, Cochrane South. There could have been others if the rules would allow for more people to voice their concern about high prices. Everybody has mentioned the high gas prices, except that we differ in style. The Republicans — oh, that's south of the border — the Republicans, Reform, Conservatives blame taxes.

**Mr Bradley:** Which haven't gone up.

**Mr Pouliot:** With a great deal of wisdom, the member for St Catharines says they haven't gone up. It's companies. Let's tell the truth, let's call it what it is, let's recognize the villain. The snakes are coming out of the bag. They're afraid of daylight. They operate better under darkness. Let's expose them, put them back in the bag. They're gouging. Thief, thief, thief, stealing, stealing, stealing, cluck, cluck, cluck, cluck, pay, pay, pay — collect the slots and do it over again.

We will support the bill because it makes the system more efficient. I have enjoyed taking part in this debate and look forward to see the ramifications of this humble, moderate yet necessary piece of legislation.

**The Speaker:** Further debate?

**Mr Jerry J. Ouellette (Oshawa):** I'm sure the members would like to know about the legislation we're debating today, so I will just address that.

The international fuel tax agreement is an agreement among jurisdictions in Canada and the US that simplifies the reporting of fuel taxes by commercial interjurisdictional carriers. All US states are required to join the international fuel tax agreement by January 1997, and upon implementation in Ontario all Canadian provinces will be members.

The international fuel tax agreement significantly simplifies fuel tax administration and reporting requirements for carriers by centralizing the processing in the carrier's home jurisdiction. A single refund or invoice is then sent to the carrier by the home jurisdiction on behalf of any or all member jurisdictions. Under the previous system, carriers had to register, purchase decals and file tax returns in every province and state their vehicles entered.

All provinces in Canada and most US states are members of the international fuel tax agreement. Vermont, New Hampshire and Maine are joining the IFTA in January 1997.

Ontario must be a member of the international fuel tax agreement by October 1996 in order to send out registration packages to all carriers to enable the January 1, 1997, effective date. The IFTA specifies a 120-day balloting process for membership voting. Therefore, Ontario must have its application in to the IFTA the first week of June 1996. IFTA Inc requires that the enabling legislation be passed and attached to the application.

The ability to tax these fuels based on use rather than at the point of purchase is essential for Ontario to qualify for membership in the international fuel tax agreement. What we're talking about is the purchasing in locations outside Ontario before they come into Ontario. The Fuel Tax Act, which taxes diesel fuel, has already been amended to permit Ontario to join the IFTA. Approximately 5% of the interjurisdictional carriers operate vehicles that run on gasoline or propane. Parallel charges are needed to the Gasoline Tax Act to allow the taxing of these fuels on the basis of use by interjurisdictional carriers.

The international fuel tax agreement simplifies reporting by allowing interjurisdictional carriers to file only one fuel tax return per reporting period with the Ontario Ministry of Finance and allowing the interjurisdictional carriers to not have to file any fuel tax returns with other IFTA member jurisdictions.

Joining IFTA will put Ontario carriers on a level playing field with their Canadian and US counterparts. IFTA allows only the base jurisdiction to charge registration and decal fees. Therefore, Ontario-based carriers will pay only Ontario fees and will not have to pay additional fuel tax, decal or trip permit fees charged by other IFTA member jurisdictions. Hence, the IFTA will reduce the administration costs for Ontario carriers.

The date originally announced — January 1, 1996 — in the 1994 budget assumed that Ontario would contract its IFTA processing from an established private sector service provider. Subsequently, the ministry entered into contract negotiations with this company. Two disturbing facts emerged from these discussions. First, the company confirmed that it was moving away from the technology the ministry was contracting for and admitted that implementation and support problems would be exacerbated by their many new customers joining the IFTA in January 1996. Second, a visit to a large state that had recently implemented this company's system on January 1, 1994, disclosed numerous serious problems with the system and a lack of service and support from the service contractor.

Faced with this information, the ministry had to reassess its proposal and reluctantly concluded that this service contractor approach had a high risk and would likely result in severe implementation and operational problems for carriers as well as for the ministry. The ministry was forced to re-evaluate the alternatives and found that the most feasible approach was to develop its own IFTA system with the full functionality needed to support our large tax roll. Unfortunately, the time needed to develop this system meant that the implementation of IFTA would have to be delayed until January 1, 1997.

Ontario is the largest province and has the largest interjurisdictional carrier tax roll. As such, it requires a high degree of automation in the IFTA system. Other provinces have different circumstances, such as: much smaller tax rolls, allowing them to develop or borrow small PC-based systems, such as in Manitoba, Saskatchewan and New Brunswick; an existing integrated fuel tax system which served as a base system to which they can add other IFTA modules which they could



develop or borrow, such as in British Columbia or Quebec.

The member for Scarborough-Agincourt asked a question and made a remark that I need to address. That was in regard to section 15, under "Conditions and Restrictions." First of all, this deals with the application format, as to what information is on the application; the location on vehicles, such as how the decals are applied to trucks, on one or both doors; what happens if a company buys new trucks and therefore is applying for new decals; and what happens if a company is deregistered and the cancellation process for decals. Some of the other areas it deals with are such examples as when returns are to be filed; how taxes are to be transmitted; the forms to be used, as I mentioned earlier; the refund provisions when interjurisdictional carriers overpay tax; and the bookkeeping requirements as well.

The Ministry of Transportation is certain that Ontario's membership in the IFTA will ensure that our trucking industry remains viable and competitive in the global marketplace. We anticipate that Ontario's trucking industry will benefit through lower administration costs, and this alone should improve its competitive situation. The Ministry of Transportation supports the introduction of the International Fuel Tax Agreement Implementation Act.

**The Speaker:** Questions and comments?

**Mr Bradley:** That was an interesting technical explanation of the contents of the bill. That's why we have parliamentary assistants in this business, because ministers often don't necessarily know the details of a bill, I'm informed. I don't know if that's the case, but I've heard that's the case. I have watched in years gone by when parliamentary assistants have done an excellent job in that regard.

1730

What I was wondering about was that the member in his remarks did not mention gas prices and the gouging of the public by the gas companies. I was very surprised that was not part of it. I know what the excuse will be. If you're a Republican in the United States, the line is: "It's not the big gas companies, it's not the big oil companies raising the costs. You have to understand what it is. It's those awful taxes." It's interesting that taxes on gas in the United States and here have not increased recently, but the price of gasoline in both countries has gone up substantially.

The Republican Party in the United States — Newt Gingrich in the House of Representatives as the Speaker, Bob Dole until recently, perhaps even until today, the Majority Leader of the Senate — have both said: "We found the problem. We have found that it is the taxes, so let's cut the taxes." That's the part the government is able to utilize to deal with the highway situation, to deal with the services required, but that's what they're going to cut instead of going after their friends in the oil companies.

When I asked the question of the Minister of Consumer and Commercial Relations of Ontario, I managed to get out of him precisely the same answer: "Don't blame my friends the oil companies. Blame taxes." That is simply not the case.

**Ms Frances Lankin (Beaches-Woodbine):** I'm pleased to be able to respond to the member for Oshawa. I'm glad he had an opportunity to provide the technical briefing notes from the Ministry of Transportation in terms of the background of this piece of legislation. I found that quite a useful contribution, particularly in light of the comments of the member for Etobicoke-Rexdale in response to the member for Lake Nipigon, who took what I think is an interesting line. It either reveals his complete lack of understanding of the content of the bill or it was simply a pretty useless piece of partisanship that we saw take place in which he went on to say, "If the previous government had so much to do with this, why didn't they implement it?" In fact, he went through a very reasonable explanation of the history on this.

Amendments to the Fuel Tax Act took place in 1993-94, which covers 95% of the commercial carriers who use diesel fuel, the other 5% that rely on gasoline and/or propane to be covered by parallel changes to the Gasoline Tax Act. Those were scheduled to come forward, we know that didn't occur and that there was plenty of time in last fall's session or in this spring session for these rather minor parallel amendments to take place for the application to be submitted in time for a review by the IFTA members, 57 of whom will be reviewing that over the summer period.

I appreciate the honesty with respect to the history on this. I will have an opportunity to contribute to the debate myself because I believe these issues of either interprovincial or interjurisdictional agreements with harmonization of standards are important, with respect to commerce, to eliminating red tape. It's important that they are approached in a way that in this case keeps safety and those issues at the forefront, which this bill does, and we will be supporting it.

**Mr Baird:** I congratulate the member for Oshawa on his remarks. While I enjoyed the comments of the member for Lake Nipigon and the member for Scarborough-Agincourt, it is appropriate that in Parliament, when we're debating a bill, to see a member from time to time, during rotation of speakers, who has done his homework and his research and is able to contribute a terrific amount of very specific information to the debate. That's always important and is something the member for Oshawa is known for: someone who does his homework and is well researched on the bills we're debating. I would agree with him that in passing this legislation, there would be less red tape and we would see greater efficiencies for people in businesses in the province of Ontario.

Fuel taxes: I noticed one of my colleagues made some remarks with respect to gouging by oil companies. We in Ottawa are waiting for the Honourable John Manley, Minister of Industry, to take on this project. The member for Cochrane South made that same comment, and I agree very much with him in this respect, that the federal government, through the competition policy branch, would take some action on that. That would be the first step.

The oil company executives the member opposite refers to with respect to the fuel tax look to government for leadership, and they see the federal government



increasing taxes on gasoline. I think they figure that if the federal government is already in on the game, we might as well join suit, if you follow the line of thinking of the member opposite. If the federal government raised taxes on gasoline as Jean Chrétien did, we might as well raise taxes on gasoline, if you looked at it that way. So we look forward to hearing an announcement from the federal government on this issue, for them to take some action, because the list provided by my colleague opposite had oil company executives from outside Ontario, and regrettably we don't have the jurisdiction there.

**Mr Bisson:** I too would like to comment on the member's statement here and his speech to the House. I appreciate that the member took some time to take a look at the bill, to look at it in some detail and to come back and respond to this House in a fairly organized way. For that, I congratulate him. At times, members of this assembly — and I've been known to do that myself — tend to get up and not do as much research as is needed, so it's certainly nice to see that. I've always found, as a member — I've been here for some six years — you learn after a while that it's better to get up and have a fairly good idea of what you want to say.

In regard to the comment — I'm glad the member for Beaches-Woodbine spoke to that point. The member from Etobicoke got up and tried to accuse our caucus of failing to introduce this bill, that somehow we were asleep at the switch, we didn't want to do it — "Where were you?" and all that stuff. I'm glad the member opposite, from his own party, set him straight on that and said indeed that it wasn't a question that the former government didn't want to do it; the computers weren't in place to be able to deal with the legislation. Now that they are, we're able to deal with bringing this bill forward.

Our caucus will be supporting this bill as well, because we thought in 1994, in our budget, it was something that needed to be done. It was according to the agreements we had negotiated. So we support that.

The other thing I'd just like to comment on is, the member didn't get into too much detail, but I would just say that if they are going to deal with this aspect of compliance in regard to other agreements, I would ask that the member opposite go and speak to the Minister of Economic Development, Trade and Tourism and start to take a look at the issues of interprovincial trade as they apply to the province of Ontario. I know the members from Ottawa especially, in that region, will know we have a humongous problem. As a provincial government, the New Democrats had said under our former Minister of Economic Development and Trade, Frances Lankin, that we were going to mirror the policies of the Quebec government as they apply to Ontario. I think it's time we go back to that and try to enforce that so we can deal with some of the other issues. So I would urge the member to do that.

**The Speaker:** The member for Oshawa has up to two minutes to respond.

**Mr Ouellette:** In regard to interprovincial trade, I find this is one of the ways we start breaking down barriers, by becoming part of the agreement. Being that we're the final province to come into this, this is an actual way that we can start to break down those barriers in the transpor-

tation industry, and this is one of the steps to move towards that.

Also, I think it should be stated that the reason I didn't talk about the price of gas is that the bill doesn't deal with that.

**Mr Bradley:** Oh, doesn't it?

**Mr Ouellette:** No. Surprise. I initially started off by saying I would deal strictly with the legislation and not take a hit at the gas, as everybody including our own party has done.

In conclusion, I'd just like to thank the members from the opposition and the third party for their support on the bill, and we look forward to its passage.

**The Speaker:** Further debate?

**Mr Bradley:** Thank you very much for the opportunity to speak on the details of this important bill.

*Applause.*

**Mr Bradley:** Thank you. The member for Mississauga South, who is adorned with a new hairstyle this afternoon and looking as engaging as ever, applauds, and I appreciate that very much.

I want to first of all say that there is merit to this kind of coordination that's taking place. Sometimes I don't like some of the agreements, particularly international agreements, that we've become involved in, but inter-provincially and internationally, this is one that makes sense. That's why I think there's a consensus in the Legislature this afternoon that the bill will pass with the support of everyone in the House. At least that's my reading of it at this time.

There are other issues that were not dealt with. I understand why the member did not deal with gasoline prices, even though peripherally they have something to do with this bill, I think, and I do want to make some passing reference to them.

My friend the member for Nepean made reference to the fact — he's learned quickly. They love to do this, to blame somebody else: blame the Americans, blame the federal government, blame the last party, blame the party that was before, and don't assume any responsibility. It's interesting that the provincial government is large as life when there's credit to be taken, and on the front line of taking the credit, but when there's a responsibility to be exercised cannot often be found on that occasion. There is a responsibility that we as individual members have to challenge the big oil companies on their gouging practices as they relate to gas prices.

1740

My friend the member for Quinte, and I won't betray any private conversations I've had with him, knows the business well. Some day when we have a committee dealing with this, I'll be very interested in having him talk about his own experiences and some of his insights, because I have been intrigued by those who have been in the business and are in the business and can tell us what some of the problems are and what some of the potential solutions are.

One of them isn't to attack the taxes on gasoline at this time because that simply gives comfort to the big oil companies. I mentioned previously, in a couple of minutes I had, that south of the border the same debate is going on because the major oil companies have raised



the price of gasoline rather substantially over the last few months.

The Republican Congress, led by Newt Gingrich, who is the Speaker of the House — that means the most powerful person in the House for the Republican Party — and Bob Dole — I think he's still in the position but is about to leave the position of Senate majority leader — came up with a solution. They introduced legislation to cut gas taxes as though somehow that would have some effect on the oil companies, as though that's going to bring the oil companies' portion down; it is not. The enemy in this case, if there's an enemy, is the major oil industry, which has decided it's going to raise prices and take as much money out of consumers in North America as possible.

I've never pretended this is an easy problem to deal with. I've been in this House long enough to listen to ministers from three different government parties give the same answer when asked the question. Somebody should change the briefing note in the Minister of Energy's book because I asked this of Dr Robert Elgie when he was Minister of Consumer and Commercial Relations and he gave me an answer about monitoring the prices. Then along came the Liberal government and I heard about monitoring prices then. Then the NDP government and that minister said they were monitoring prices. Everybody's monitored those prices, but no one has really effectively called the oil companies to account. That's why I think it's important that members from all three political parties in this House call them to account.

There have been several questions directed to the government in this regard by members of the Liberal caucus, and I believe the NDP caucus has addressed some of the questions as well. The Minister of Economic Development — and I think tourism is part of his as well — was asked the question. He said our prices are as good as they are anywhere in the world. I don't have the exact quote, but he described us as being in a very favourable position across Canada and in the world, North America included. I thought that those who are going to the pump to pay over 60 cents a litre for regular gasoline — that's what my car takes, regular gasoline — would be saying that it is a little too high, a little unfair that the prices have jumped this substantially and that there isn't really a reason.

I know that those who were writing this bill probably were thinking about this when they wrote this bill, but what's a mystery to all of us is why it takes so long for the price to come down when the price of crude oil comes back down again. When it goes up, they quickly raise the prices. When it comes down, it takes a long time for that to filter back to the consumer.

We talk about a lot of things in this House. When you go back for constituency week and get to talk to people in your constituency, you find out what some of the real problems are to them, and one of them has been the escalating price of gasoline over the past couple of months.

When I addressed this question to the Minister of Consumer and Commercial Relations, I was, from a straight political point of view — and we are political from time to time in this House — hoping he would

defend the oil companies. He didn't disappoint me because he attacked gas taxes and said they were the real problem and the oil companies weren't the problem. I think when he called them up, one of them returned his telephone call. I was listening to an interview outside with Colin Vaughan of CITY-TV and I think he managed to determine from his conversation with the minister that one of the oil company executives had called back. I didn't get the gist of the conversation, but I didn't see the prices drop immediately and I thought that might have been the case.

One of the strengths this government will claim, and I think there's some degree of justification for it, this government says it has good connections with the big companies, and indeed it has. This government is well-connected to big business. That's why I appealed to the Premier about a month and a half ago to talk to these major corporate giants, to ask whether they believe that when they're laying off hundreds and thousands of people across this country while at the same time making increased profits, that is right. I know the Premier is well-connected to the business community and can speak to these people probably on a first-name basis.

It's the same with the price of gasoline. I would have thought that my good friend from Carleton, the Minister of Consumer and Commercial Relations, that my friend the Minister of Economic Development, Trade and Tourism, who was on Bay Street before and a very nice gentleman in this House, would have had some clout, that the Minister of Energy, having been in business herself, would have had some considerable clout, that Mr Palladini, the Minister of Transportation, would have had some considerable clout in this regard, but to no avail.

So all we had was an apology for gas prices in the province, instead of confronting them, or blaming the federal government or trying to pass it off somewhere else. I think if there's a problem, we have to challenge that problem, we have to try to find some solutions. You can talk about the market all you want. When they're fixing prices, when there isn't a market working out there, that's where government has a role to play.

It reminds me of the newspaper business in this country and I know the Speaker is very interested in this as well, because we all have newspapers around the province that serve our communities. I see that Conrad Black has now taken over — well, you may as well say control of Southam, because he has the largest portion of Southam now. What's that going to mean? That's going to mean more people turfed out onto the street and that's going to mean he will have more control over these large newspapers. There are people who say, "Well, that's the free market system," but when one person buys up all the newspapers, that's not a free market system any more.

The Speaker has been kind enough to allow me to wander just a little bit into that topic, and I will come back to the bill and some of the peripheral issues with this bill. I know the truckers are as annoyed as anybody else that on long weekends, when there's a great demand for gasoline or other fuels, the price seems to go up. I don't think there's an excuse for that. This bill may be helpful in this regard — I think the parliamentary assistant is correct in this. The synchronization, the harmoniz-



ation, the agreement that we see will help in the collection of the taxes and in pricing to a certain extent. But whenever the cost of fuel goes up, the cost of goods and services produced in Ontario increases. Any way we can find to make the system more efficient, and this bill is one of those ways, is one that will gain support from those of us in opposition.

There's one other issue that I don't think was addressed by this bill, which I hope the government will address, and that is gasoline volatility. It's called Reid vapour pressure, and governments have been trying to address this issue. I thought we were going to move forward on it and it appears that there's nothing happening with Reid vapour pressure, that we're having gasoline evaporating into the air.

Not only is it costing people money in the summer-time, but also because of a lack of requirements on the oil companies, we have a situation where the atmosphere is getting low-level ozone. The ozone's fine when it's up top; it's not when it's at low level. I know that was not addressed, but the bill can't address everything.

Anyway I appreciate the opportunity to be able to discuss this and I appreciate the parliamentary assistant coming forward with his carefully crafted notes for us this afternoon. Parliamentary assistants often aren't appreciated as much as they should be, and I simply want to say that this afternoon the parliamentary assistant has earned his pay.

1750

**The Speaker:** Questions or comments? There being none, further debate, the member for Cochrane South.

**Mr Bisson:** Questions or comments?

**The Speaker:** That's past.

**Ms Lankin:** He has a question or comment. Would you like to go back to him?

**The Speaker:** Is there unanimous consent of the House that we go back? Agreed. The member for Cochrane South.

**Mr Bisson:** Thank you. I appreciate my whip and other people being generous and allowing us to go back.

I want to concur with the member for St Catharines, because he's 100% right on. Not often do we agree on a number of issues, my Liberal friend and I, but the one thing is that there is a real issue here in regard to what happens to gas prices in the province of Ontario. The member spoke to that directly in his debate and is saying, I think, what we've been saying over and over this afternoon, which is that we have a real problem. We have a situation where gas companies are price-fixing or gouging on weekends, if you happen to be living in and around Toronto, but in places outside of Toronto are really gouging consumers and taking advantage of them when it comes to setting the price of gas.

Just recently, I guess about a month and a half ago, the price of regular unleaded gas in Timmins went from somewhere around 58 cents or 59 cents a litre to as high as 65 cents in one shot. As the member for St Catharines said, there was absolutely no increase of taxes on the part of the provincial or federal government. This was strictly the price of gas going up, because it happens to be that you no longer have a free market system there. You have a number of oil companies that have come together, that

have decided they're going to band together to push the price of gas up, and we the consumers have absolutely no power to do anything about it. We can't even shop at the gas station down the street, because what ends up happening is the other gas station has caught up with the rest of them in the same way.

Like the member for St Catharines, I would urge the provincial government to move to get the federal government to deal with the question of price-fixing when it comes to the price of gas. It's clearly a federal responsibility. There is nothing the provincial government can do itself directly. It falls squarely in the hands of Mr Chrétien. I urge the minister and others to go to Ottawa to speak out, to speak on behalf of Ontarians and say, "We recognize that gas companies have got to make a profit, but not such a profit that we pay through the nose, such as we do here."

**Mrs Margaret Marland (Mississauga South):** It's a tremendous pleasure to be in the House this afternoon and find a subject on which all three parties agree. Obviously our government must be moving forward in the right direction in some areas, according to opposition parties. We appreciate very much the sincerity of the support and the comments of both the Liberal and NDP members this afternoon.

I also would like to put on the record, obviously, my concern about the price of gasoline, although it isn't directly an inherent part of this legislation which we're all prefacing our comments on. If it was within the power of the provincial Legislature to provide a remedy on the pricing of gasoline at the pumps, I'm sure that remedy would have been executed long before the term of this government, and neither of the two previous governments were able to do anything about it either because, as has been well expressed, it does rest with the federal government.

But isn't it interesting that the federal members are not lobbied, for some reason, to the extent we are. We don't get the remedy, we don't get a stop put to the fact that we have pure exploitation of people who have to drive, who have to purchase gasoline.

When the member from Timmins talks about how bad it is in the north and he saw his price at the pumps rise from 59 to 65 cents, we saw the same thing here, but at a lower rate. It went from 51 to 58 cents overnight. I think in any other business they would be charged with operating a monopoly or a combine or whatever the appropriate term is.

Please, Prime Minister Chrétien, put an end to this.

**Mr Len Wood:** I listened very intently to the member for St Catharines and his comments that the oil companies are taking advantage of some people throughout northern Ontario. It only makes common sense if the Premier of this province and the Minister of Energy would call the heads of all the oil companies into their office and tell them very clearly, "What you're doing to southern Ontario, ripping the people off over the last number of weeks and months — we know you've been doing it in northern Ontario for the last 20 years — is something that's going to have to stop."

I know that Bill 48 is going to get the support of all three political parties, but I believe it has to go beyond



that, and as the member for St Catharines has pointed out and the member for Lake Nipigon in his comments, saying, "Especially in northern Ontario, you don't have public transportation and you don't have other ways and means of getting around other than having two cars in a family, and you have the long winters, you have the high price of gas, and it's very inconvenient, especially for the people who are on fixed incomes, as the oil companies keep raising the prices and taking advantage of the people up there who have no other choice but to use these."

When you're talking about 35 and 40 below temperatures in northern Ontario, which you get for a long period of time in Kapuskasing and Timmins and other areas, even up the Hudson Bay and James Bay coast where my riding takes in, they use vehicles to get around there as well, so you're talking about sometimes six or seven months at the whim of the oil companies that can say: "We want to make more money. We're not making enough profit. We want to make more money, and we're going to raise up the gas prices and rip off the people."

**Mr Baird:** I'll be very brief, Mr Speaker, given the hour. Picking up on the comments of the member for Mississauga South and the member for Cochrane South in response to my colleague from St Catharines, I would have one perhaps helpful suggestion, since we're all in agreement, generally speaking, on this issue.

The list provided by the member for St Catharines of the oil industry executives whom he asked the member for Carleton, the Minister of Consumer and Commercial Relations to call, all but one of them were for outside the province of Ontario, so this is of course a federal issue. The honourable member for Mississauga South in her statement suggested that people contact the Prime Minister and get him to push this issue on the national agenda, so I would encourage everyone in this House and everyone watching on TV to perhaps call Prime Minister Chrétien — his number is 613-992-4200 — to encourage —

**Interjection:** What number was that?

**Mr Baird:** It's 613-992-4200. Call right now — there's a switchboard there — to encourage him to act on this with Industry Minister John Manley.

*Interjection.*

**Mr Baird:** My colleague asks again. It's 613-992-4200. Call now and tell Jean Chrétien you want action taken.

**Mr Bradley:** The member just proved my point exactly. The member for Nepean, who is trying to get into the cabinet and ingratiating himself with the Premier and other senior officials of the government, wants to do that, and I understand that's part of the game. Some of the other members don't, because they want to be more independent-minded, and there are a couple of ways of getting in. One is to be more independent-minded and one is to — how could I word this? — be nice to the Premier. Let's put it that way.

It's interesting. The member for Nepean made my point. My point was that when there's credit to be taken, these people are as large as life when there's credit to be taken to take it, but when it comes to confronting their corporate friends, the big companies, they are not prepared to do so. The member for Nepean would have been here in the House when first of all the Minister of Economic Development said, "Oh, it's not a problem, of course, because our prices are among the best in the world," and then the Minister of Consumer and Commercial Relations, whose job it is to defend consumers in this province, said, "Well, of course it's the gas prices; that's what it is. It's not the oil companies. Why do you pick on the oil companies," said the Conservative Minister of Consumer and Commercial Relations, "when you know it's gas taxes? That's the real villain."

The gas taxes, of course, have not gone up in recent months. Neither this government nor the last government in its latter days raised it. It has not gone up this year, but what has happened is that the companies have continued to gouge, and the government members, the people at home should know, are over there barracking and defending the oil companies. That's exactly what I expected they would do and that's exactly what they have done.

**The Speaker:** It being almost 6 of the clock, this House stands adjourned until 1:30 of the clock tomorrow.

*The House adjourned at 1800.*

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ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO**

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Speaker / Président: Hon / L'hon Allan K. McLean  
Clerk / Greffier: Claude L. DesRosiers  
Senior Clerk Assistant and Clerk of Journals / Greffier adjoint principal et Greffier des journaux: Alex D. McFedries  
Clerk Assistant and Clerk of Committees / Greffière adjointe et Greffière des comités: Deborah Deller

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|  |  | Yorkview                        | Sergio, Mario (L)  |
|  |  | York South / -Sud               | Vacant   |

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Une liste alphabétique des noms des députés, comprenant toutes les responsabilités de chaque député, figure dans les premier et dernier numéros de chaque session et le premier lundi de chaque mois.

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Richard Patten, Trevor Pettit, Peter L. Preston,  
Bruce Smith, Bud Wildman  
Clerk / Greffière: Lynn Mellor



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**Assemblée législative  
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**Official Report  
of Debates  
(Hansard)**

**Journal  
des débats  
(Hansard)**

**Tuesday 28 May 1996**

**Mardi 28 mai 1996**



**Speaker**  
Honourable Allan K. McLean

**Président**  
L'honorable Allan K. McLean

**Clerk**  
Claude L. DesRosiers

**Greffier**  
Claude L. DesRosiers



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# LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday 28 May 1996

# ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

Mardi 28 mai 1996

*The House met at 1333.  
Prayers.*

## APOLOGY

**Mr Rick Bartolucci (Sudbury):** Mr Speaker, I would like to address a few words to the assembly, and to you in particular. You know I have a great deal of respect for your office and for you personally. I also have a great deal of respect for the responsibilities that are charged to me as an MPP. I certainly don't consider getting named and escorted out of the House as a badge of honour to be worn proudly.

However, we are responsible for our actions and we are also responsible for our actions that are not appropriate. You will know before I say this that I have never been named by you before, I have never been warned by you before, and I have never been called to order by you before. Having said that, yesterday on the way out of the House there was an action that wasn't appropriate; it was the direction of the Sudbury region book towards the minister, which inadvertently and not on purpose landed on the lap of the Minister of Environment and Energy, and that is not an appropriate action.

For that action, I deserve to be made to apologize and I do so, because to own up to one's responsibility in this high office is extremely important. I would only hope that there could be communication between questions and answers that doesn't allow for that level of frustration. I guess maybe we all have to work a little bit harder. However, that action on the way out was not appropriate.

## MEMBERS' STATEMENTS

### HIGHWAY 69

**Mr Rick Bartolucci (Sudbury):** Like a giant umbilical cord, Highway 69 stretches between Sudbury and the south. It is an inescapable lifeline reaching from the heart of the Sudbury community deep into the heart of other communities which serves the economic needs and social yearnings of people at both ends.

It is this narrow strip of potholed pavement that more than anything else in the north defines how fragile Sudbury's link to the southern heartland can be. That the short section of highway between the French River and Sudbury is dangerous cannot be disputed. That is why the "Highway 69 Worth the Investment" postcard campaign is so important.

In 1993, there were 103 accidents, with three lives lost; in 1994, there were 109 accidents, with lives lost; in 1995, 72 accidents, with death and carnage all too

evident; and so far this year, three deaths, innocent lives snuffed out because this government doesn't believe Highway 69 is worth the investment.

Premier, Minister of Transportation, people are needlessly dying on Highway 69. You have made cuts which make Highway 69 more dangerous. You killed the funding for four-laning. Restore the money for the environmental assessment. Highway 69 is worth the investment.

## NATIONAL ACCESS AWARENESS WEEK

**Mr Rosario Marchese (Fort York):** This week we celebrate National Access Awareness Week. The purpose of National Access Awareness Week is to challenge all Canadians to raise awareness of the barriers facing people with disabilities and to create and support equal access which will ensure the full participation of people with disabilities in all aspects of life in Canada.

Many have been telling us they suffer substantial disadvantages and exclusion from the mainstream of Ontario society. They face numerous barriers in fully participating in important activities such as jobs, education at all levels, public transit and the use of goods, services and facilities. Physical, systemic, communication and attitudinal barriers impact us all, and we must all commit ourselves to removing them.

I want to take this opportunity to recognize Esther Ignagni of Toronto and Andrew Evans of Unionville, both recipients of a \$3,500 National Access Awareness Week student award bursary for their outstanding academic and community achievements.

## STRATFORD FESTIVAL

**Mr Bert Johnson (Perth):** I rise today to announce that the Stratford Festival is once again under way in the riding of Perth. Last night marked the grand opening of the festival's 44th season, and I appreciate that the Minister of Citizenship, Culture and Recreation and the Minister of Community and Social Services were able to join me and a number of other dignitaries in attendance at this gala event.

As many of you know, the Stratford Festival is world-renowned for its performances of Shakespearean plays, and this year is no exception. Performances of *King Lear*, *The Merchant of Venice* and *As You Like It* will be thrilling thousands of people this summer. Although the festival is best known for its Shakespearean productions, performances this year will also include *The Music Man*, *Amadeus*, *The Little Foxes*, *A Fitting Confusion*, *Alice Through the Looking Glass*, *Barrymore*, *Sweet Bird of Youth* and *Waiting for Godot*.

In addition to the grand opening of the festival, last evening also marked the official launch of the Festival



Theatre Renewal Campaign. The goal of this campaign is to raise \$13 million, which will be used to revitalize the Festival Theatre's auditorium and its front-of-house facilities, originally built in 1957.

Once again I would like to take this opportunity to invite all members of the House to come to the riding of Perth and share in the excitement of the Stratford Shakespearean Festival.

1340

### FOOT HEALTH MONTH

**Mrs Elinor Caplan (Orillia):** June is Foot Health Month in Ontario. Almost 80% of Canadians will suffer from some form of foot discomfort in their lifetime. Foot problems are not confined to any age, gender or ethnic group. Children, adolescents, the elderly, diabetics, men and women all suffer from some type of foot ailment.

According to the Ontario Podiatry Association, feet average 100,000 miles in a lifetime, and that's a lot of walking. Foot Health Month is designed to bring awareness to a variety of foot problems. A painful ailment in the foot might cause discomfort in other parts of the body.

Through information campaigns, Ontario's chiropractors and podiatrists and their associations want people to know that solutions are available. Podiatrists, for example, have been very helpful to Ontarians, diagnosing and treating foot ailments through palliative, biochemical and surgical means. Chiropractors offer foot care in hospitals and in clinics. However, we are concerned that many people are unable to access needed foot health care due to recent government cuts in service.

During Foot Health Month this June, I'd like to remind all members of this House as well as the people across the province of the value of proper foot health care. We salute Ontario's podiatrists and chiropractors for their contribution to the comfort and the health of the people of this province.

### FLOODING

**Mr Floyd Laughren (Nickel Belt):** I would like to offer congratulations to the people of Chapleau and Foleyet for the way they have dealt with the flooding emergency in the past 10 days. I am pleased to tell this House that the latest reports indicate that water levels are slowly dropping and the worst is probably behind them.

I had the opportunity to visit Chapleau late last week and I was impressed with the solidarity with which the local people tackled this emergency. Municipal leaders, business people and individuals all volunteered selflessly to do what had to be done. In particular, I think the employees of CP and CN Rail should be recognized for their help in maintaining connections to Chapleau and Foleyet when highways became impassable.

While the local people deserve congratulations, the same cannot be said of provincial agencies. This flooding has pointed out a distinct lack of coordination of provincial agencies in unorganized areas. During the emergency, the township of Chapleau had to take the lead in dealing with highway flooding outside its municipal boundaries because of a lack of action from the Ministry of Transportation. The people of Foleyet had to rely on the gener-

osity of Wal-Mart for clean drinking water because the Ministry of Environment and Energy was nowhere to be found.

There is still much work to be done and many bills to be paid. Perhaps in the flood cleanup the province will demonstrate the same leadership and spirit that have only been shown by the local communities up to now.

### BARTON SECONDARY SCHOOL

**Mr Trevor Pettit (Hamilton Mountain):** I'd like to take the opportunity in the House today to salute Barton Secondary School, one of the great high schools in my riding high atop Hamilton Mountain. This year marks the 35th anniversary of this terrific school, which has had many great achievements over the years. On May 11, the parents' council hosted some 200 visitors to a dance and a trip down memory lane.

The Barton Barons have had tremendous success over the years on the Hamilton high school sports scene, most recently winning both the boys' and girls' 1996 public high school hockey championships. Some notable graduates include Wayne Cuncic and Doug Strong, who both starred in the CFL, with the Toronto Argonauts and the Winnipeg Blue Bombers respectively, and Kevin Pettit, who was named to the first team all-America hockey team while at Cornell University.

Then there are local business people like Grant MacLean of Safety Seal Plastics and Ralph Schmidt of ReMax Escarpment Realty, two thriving east mountain businesses. These individuals continue to devote themselves to their community.

Barton has also been blessed with some outstanding educators such as Alan Meiklejohn, Jim Russell, Jim Ruddle and current principal Paul Murphy.

Already there is excitement over the plans for Barton's 40th anniversary at the turn of this century. I encourage all former students and teachers at Barton, wherever they may be, to contact the school and be put on a mailing list to ensure they will not miss out on what promises to be an outstanding event, an event for which I will be exceedingly proud to serve as honorary chairman.

### ART EXHIBIT

**Mr Michael Gravelle (Port Arthur):** I'm most pleased to be able to bring to the attention of this House a very significant event which took place recently in Thunder Bay. Survivors: In Search of a Voice is a collection of art intended to give a voice to the thousands of women struggling with the pain, fear, challenge and triumphs of breast cancer.

Commissioned and funded by the Toronto-based Woodlawn Arts Foundation, the exhibit features works of art by 24 prominent female Canadian artists, in partnership with and inspired by 100 breast cancer survivors, and is a monument to the courage of women stricken with this devastating disease.

As so many of us are aware, breast cancer is a killer and a thief. Annually, 6,500 women in this province are diagnosed with breast cancer, and for over 2,300 this disease will prove fatal. Families are robbed of mothers, wives, grandmothers, daughters and sisters.



Currently, women in many northern areas face waiting periods of four to eight weeks from the discovery of a lump to diagnosis. This terror-filled waiting period can be dramatically reduced with early detection programs and assessment centres. Access to advanced, less invasive diagnostic technology is an essential need, and in fact I would argue a right, for women in northwestern Ontario.

Thunder Bay has had a wonderful organizing committee which brought *Survivors: In Search of a Voice* to our community, and I applaud their hard work and the generosity of the project partners and countless volunteers. The committee's goal in bringing the exhibit was to increase awareness and funds for breast cancer treatment in northwestern Ontario, and I believe they did just that.

#### BEACHES INTERNATIONAL JAZZ FESTIVAL

**Ms Frances Lankin (Beaches-Woodbine):** Today I placed in each member's legislative mailbox this year's Beaches International Jazz Festival calendar. I hope you will all enjoy this colourful reminder of some important events coming up in my home community. I'd like to extend an invitation to all members to attend the jazz festival, which runs from July 24-28.

Many well-known jazz stars have appeared at the festival. Saxophonist Tom Scott, the Dave McMurdo Jazz Orchestra, the Johnny Pacheco Latin Orchestra, Warren Hill and Brian Hughes are just a few of the featured performers in recent years, and 1995's festival included Ernie Andrews, Phil Dwyer, Doug Riley and exciting newcomer Lee Ping Ming.

This jazz festival began in 1989 and began over a two-day period. Since then it's grown phenomenally. Over that time it's also provided over \$100,000 for Senior Link, a local seniors' organization in the Beaches, through sales of T-shirts and other memorabilia. In 1995 alone it was estimated that half a million people attended the five-day event and provided a tremendous boost to the local Beach economy and the economy of Metro Toronto.

Lido Chilelli, the president of the jazz festival, also donated a number of promotional items to the 1995 press gallery auction. The proceeds, as you all know, went to the United Way, and it raised over \$300. I would like to thank him personally and of course Pauline Johnson, who organized it.

Please don't miss this event. It's a wonderful time in our community. It isn't just a jazz event; it's a family celebration. The jazz festival hotline is 416-698-2152.

#### JORDANIAN NATIONAL DAY

**Mr Dave Boushy (Sarnia):** I rise today to bring to the attention of all members that Saturday, May 25, was Jordanian National Day and the 50th anniversary of the establishment of the Hashemite Kingdom of Jordan.

At this time, Canadians of Jordanian background, as well as all Canadians, may reflect on the great contributions to the development of that country and to the Middle East process King Hussein of Jordan continues to make. King Hussein travels the difficult road to peace in the Middle East with courage and determination. He is a leader who inspires peaceful cooperation and international

understanding. He is most deserving of all our support and encouragement.

Ontario is a province that may gratefully boast a thriving Jordanian Canadian community whose hardworking members have enriched our society in so many ways. As a Canadian of Lebanese background myself, and on behalf of the government of Premier Mike Harris, I take this opportunity to wish all Jordanian Canadians our congratulations on Jordanian National Day, and much continued great success in the future. As-Salaam Alekum.

#### VISITORS

**The Speaker (Hon Allan K. McLean):** I would like to inform the members of the Legislative Assembly that we have in the Speaker's gallery today a delegation from the Jordanian Canadian Club. Please join me in welcoming our guests.

1350

#### STATEMENTS BY THE MINISTRY AND RESPONSES

##### ONTARIO PUBLIC SERVICE RESTRUCTURING

**Hon David Johnson (Chair of the Management Board of Cabinet):** Today, as I promised in my April 11 statement to the House, the government is making public its business plans for all government ministries, and they show that we can do better for less.

By publishing these business plans, by making ministries publicly accountable for performance and by seeking the advice and involvement of our clients and the public, we are continuing to enhance the openness and accountability of the government of Ontario.

The business planning process will help ministries concentrate on core businesses and identify functions and services better left to the private sector. This will help ensure that scarce public resources are used more productively.

This is the first time ever that all Ontario ministries are publishing business plans and establishing benchmarks for performance. These business plans define the core services that ministries will deliver over the next two years. They set proposed performance standards so the public will be able to judge how effectively ministries are doing their jobs.

The tabling of the business plans is part of an ongoing effort by all ministries to refine their core businesses and develop more cost-effective ways of running their operations.

During the next few months, ministries will consult their clients on their business plans and proposed performance measures. Their advice will help us build on the measures we have and show us where we need refinements to make them more meaningful for the future.

In addition, the general public is invited to participate in the business planning process. They can provide comments by calling a toll-free telephone line already set up for this purpose, by using a tear-off response form included in the business plan document or by writing to me personally.



This process is another step in the government's commitment to do better for less and to provide the people of Ontario with the quality services they need at a price they can afford.

**Mrs Lyn McLeod (Leader of the Opposition):** I truly don't know how any member of the public can respond to the gobbledegook which is all the government has offered it in this document today. These are not business plans; these are pages and pages of platitudes and empty wish lists. If any corporation on Bay Street put out this kind of a document and tried to call it a business plan, their stock value would drop by \$2 by the next morning.

There is absolutely nothing here. It's pure propaganda. It's a spin document. There are all kinds of words, and the words signify nothing. There is absolutely nothing that relates to the reality of what this government is actually doing. There are fine words about what the government might like to do — that's where the wish list comes in — but there's nothing that says how they're going to do it, nothing that says what more they're going to cut, nothing that says where they're going to privatize.

There are no specific measures of what they actually want to achieve and, as a result, there are very few specific targets or ways of measuring what they might consider to be success, and there is certainly absolutely nothing this document offers that is going to let the government prove that anything — anything — that they have done or are about to do is going to provide a more effective government service.

The reality is that all we have had from this government is a full year now of slashing and burning and devastating cuts to the services that government provides and that people need.

In five minutes I can't begin to go through the whole document, even though there is nothing there, so I want to just take one of the 21 ministries and give you the example of why we say there is less than nothing here. The Ministry of Health statement says, "By integrating assessment, diagnosis, treatment, care, prevention of illness and promotion of healthy lifestyles, the ministry will ensure that health care services are focused on the patient."

That's the vision statement. What does that mean? What does that mean to people who are facing longer waiting lists for emergency care? What does it mean to the people who are phoning our offices and saying they can't get in for the surgery that they need? What does it say about the \$1.3 billion that has been taken off hospitals? There's no mention of a \$1.3-billion cut to front-line hospitals here. There's no place in the Ministry of Health statement that talks about the \$2 prescription fee that seniors and the disabled are going to have to pay for their drugs in the future.

There is a statement here that the Ministry of Health is going to move from government operations to something called "public-private partnerships." We've seen the Minister of Health's first foray into public-private partnerships when he invited into Ontario an American for-profit dialysis company that was already under investigation for fraud and jeopardizing the health of patients with inadequate care. That's their first foray in moving from government operations to public-private partnerships.

What this really means, as the government moves out of operations, is that they are prepared to abandon all responsibility for adequate funding, that they will take no responsibility for setting standards of health care and enforcing them. They say they're no longer going to be a service provider; they're going to be a system manager. In health, surely of all areas, the government has a responsibility to provide health care services to the patients and the people of this province, and no amount of use of buzzwords from system management jargon is going to allow them to abandon that kind of responsibility.

I go on on the health care vision statement. They talk about "psychiatric hospitals that might be better managed as part of the health care system in communities." What does that mean? Does it mean we're going to have fewer psychiatric beds? Does it mean we're going to have more psychiatric patients unceremoniously dumped into our communities without adequate community support? It goes on to say, "some public health laboratory work and administrative functions might be provided more efficiently and effectively by the private sector." We've already had the Minister of Health saying, "I am going to close down, to privatize a whole slew of government-run public health laboratories." What does that mean? Who's going to provide that service? Who's going to pay the cost of that service? Are we going to see new user fees for public health lab testing? This document says nothing about that at all.

There's a reference in here to underserved areas, an ongoing concern. They're going to reduce the number of underserved areas and in that same mission statement they say, "But we are not going to exceed the budget." So if there are too many underserved areas for the government to meet the need within its budget, because physicians have fled this province, what's the government going to do to reduce underserved areas? Just change the criteria, not recognize that they are underserved.

I could go on to every single one of the ministries. I'd love to get into education where they talk about their sole measurement of excellence being how many dollars are spent in the classroom and not outside the classroom. We know what that means.

All I can say in two seconds left is that this is pure spin, pure propaganda. They are not doing better with less; they're just doing less.

**Mr Tony Martin (Sault Ste Marie):** This is just another 1-800-JOKE on the people of Ontario by this government: 1-800-LAYOFF. This is not doing better for less. This is just simply doing less.

I have a copy of the government's plan and I've had a chance to go through it. The most startling revelation of this document is what's not here. This government has not given the people of Ontario any information with the release of this so-called plan. They have simply announced the death knell of good government: government that is responsible for wellbeing of its citizens through safety and environmental regulation; government that builds an infrastructure of transportation links, education technology transfer in order to foster economic development; government that looks after the taxpayers' investment in their communities and the province's prosperity.



They have not given us anything concrete on which they will base their decision to privatize, to deregulate and to cut services. They have simply stated their beliefs, their rhetoric and their ideology once again. The government has announced its intention to go ahead with privatization, to go ahead with deregulation.

They have stated their objectives and their performance-measurement techniques, but they have not told us what they are going to do. They have not told us just exactly how they will meet their objectives. Most importantly, they have forgotten about the people of this province. It is very revealing and startling in that sense.

This document forgets about people. How will each and every one of the citizens of this province be affected by this business approach? This document is simply full of platitudes and rhetoric. It does not consider the fact that because of this business approach, sick people will be taxed with new drug user fees. Homeowners will pay higher and higher property taxes. School children will have to pay for their books, their music and their recreation.

It leaves out the job loss. There is no more information in this announcement than there was in the last, and this is supposed to be the detailed follow-up. In fact, the last release of the business plan had more information. At least that release included a measure of the job loss this government is responsible for in its own operations.

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In skating over these crucial issues, the issues the government has real responsibility for, this government simply substitutes rhetoric for substance, the rhetoric that conveniently substitutes the concept of people for the concept of shareholder. Well, I have news for this government. The shareholders you talk about are people and these people have concerns. You're supposed to provide government for them, not for business.

Where the people of this province are in fact shareholders, you have not told them how you will protect their interests. For example, the people of Ontario — shareholders, to use your newspeak — have close to a century of equity in Ontario Hydro, equity that belongs to the people of Ontario. Will you protect their interests? I ask the minister, just who did you talk to? Do you think the people of Ontario want to lose that investment? Do they want to lose their guarantee of safety? Do they want their province to languish in a sea of unemployment and get left behind as our competitors invest in technology and economic development? Do they want to lose their services? How are they to analyse this plan and put forward their concerns?

You have put your plan forward in terms of a cost-benefit equation but you have left out the largest part of that equation: Who really benefits and who pays?

What do I tell the people of Sault Ste Marie when I go back this weekend, as we head down the road to losing almost 1,700 jobs in our community? What do I tell the people who have lost almost a quarter of their take-home pay as they try to feed their children on the mere pittance that this government tosses to them? What do I tell the leaders of my community as they grapple with the loss of that many jobs, which equals almost three medium-sized businesses just picking up and leaving town? Where are

the jobs? Where are the 725,000 jobs that you promised in your campaign? Where are the jobs? Where are the people who will lose their jobs going to go, never mind the people who are already unemployed?

Three weeks ago they told me to send the people from the Sault down to St Thomas; there are 1,000 jobs down there. Last week in my community they were trying to peddle workfare. Jobs someplace else, workfare; what's next? 1-800-LAYOFF. That's exactly what this government is giving to the people of Ontario. That's all they have to offer. You're bankrupt of ideas. Give it up.

## ORAL QUESTIONS

### LONG-TERM CARE

**Mrs Lyn McLeod (Leader of the Opposition):** My first question is for the Minister of Health. Minister, I suggest to you that yet another glaring omission in this so-called business plan that your government has presented today is that there is absolutely no reference of any kind to setting standards of care in residential facilities for our seniors. It's a glaring omission, Minister, but I suspect that it is a very deliberate one when we see what you have actually done in recent months.

Minister, effective June 1, you have eliminated regulations that would have required a certain level of nursing care in nursing homes and homes for the aged. I ask you if you can explain to us today how abandoning the standard of nursing care in homes for the aged and nursing homes is going to benefit elderly residents in Ontario.

**Hon Jim Wilson (Minister of Health):** The interim provision that was put in by the previous government the honourable member is asking about was the 2.5 hours of care, which was a labour adjustment measure that was meant to be temporary. It was a concession to the unions while the homes underwent the transitions required and the funding transitions required under the previous government's Bill 101. We have ended that transition measure with the agreement of the Ontario Nursing Home Association — in fact, urged by them. In fact, we have agreement from all sectors in the long-term care facilities sector, and I don't think there's any particularly valid basis for the honourable member's question today.

**Mrs McLeod:** The minister has not only set aside that former guideline, but he has put nothing in its place at all. He has abandoned any responsibility for setting a standard for nursing care in residential care facilities for our seniors. He's done that because he wants to work within a fixed budget and manage his funding, and the fact is that he is about to shift \$144 million away from homes for the aged and into nursing homes. In other words, he is going to rob Peter in order to pay Paul. You have a given budget, so you're shifting dollars around, and, Minister, I suggest that what you are left with is inadequate funding to provide a reasonable level of care for seniors in either homes for the aged or in nursing homes.

Will you acknowledge the reality, because the bottom line here is that inadequate funding means that seniors are at risk in nursing homes and homes for the aged? Will



you acknowledge the reality of what's happening, that you are not adequately funding residential care for seniors, that there's not enough money to provide a reasonable standard of care, and that you are therefore abandoning any responsibility for setting and enforcing standards?

**Hon Mr Wilson:** A copy of a letter to the editor of the Toronto Star recently from the Ontario Nursing Home Association reads as follows:

"The Ontario Nursing Home Association applauds the Honourable Jim Wilson's announcement as a positive first step in the long-awaited implementation of a long-term care process.... Mr Wilson deserves credit for acting to implement the equitable funding scheme according to the law. His predecessors were well aware of the inequity in funding different care institutions, but it was the current minister who had the courage to redistribute the pot of money. Moreover, it is evident that the Minister of Health has succeeded in protecting the budget allocation for long-term care despite tremendous pressure on all provincial ministries to cut spending."

**Mrs McLeod:** The fact is that the nursing home association has also said they never in their wildest dreams thought the minister would try and respond to the needs of nursing home residents by simply shifting the dollars around and leaving no one with adequate levels of care. What this minister has done is set rates of funding; he has not set standards of care and he is not enforcing them. As a result of that, we are already beginning to see the cutbacks in service that will put seniors at risk.

Minister, I want to bring your attention to just one of those cutbacks: Extendicare, which operates, as I'm sure you know, about 30 nursing homes in Ontario, told the news media last month that it's planning to eliminate some 60 full-time positions in its nursing homes. Again, as I think you're aware, because many of those positions are part-time, the actual number of staff who will lose their jobs is much higher. So we have a situation here, Minister, where private and profit-making companies like Extendicare are going to receive more money because of your shift, but they're also going to lay off staff because you are not setting any standard of care.

Can you explain to us why a profitable company like Extendicare is going to receive more dollars because of your shift, but it's going to lay off employees and therefore provide a lower level of service?

**Hon Mr Wilson:** The previous government, the NDP government, passed Bill 101, which introduced levels-of-care funding, but they didn't actually implement levels-of-care funding; and all three parties have argued in committee over the years that we have to implement levels-of-care funding. That's what will be done.

With the announcement that I made in this House on behalf of all the members here, some 360 long-term-care facilities — some of them homes for the aged, some of them charitable homes, and many of them, yes, nursing homes owned by the private sector in the province — will receive enhanced funding based on the actual care needs of the patients or residents of those homes, and about 150 homes will see the end of red-circling, which was another transitional measure put in by the previous NDP government, and money distributed to those homes that were traditionally underfunded.

I could not understand in my years in opposition, and no member of this House could support a system, where a particular level of care in Toronto or in part of Simcoe county was worth X number of dollars, and yet another human being needing that same level of care was somehow worth less money in another part of the province. That was unfair. It depended on whether they were lucky enough sometimes to get into a home for the aged versus a nursing home; and what we've said is, we've introduced equity across the system based on the actual care needs of the residents. I want to tell you, it's long overdue, and we've had great applause from the people who operate long-term care facilities, including many municipalities on behalf of their homes for the aged.

**The Speaker (Hon Allan K. McLean):** New question. The leader of the official opposition.

**Mrs McLeod:** My question is also the Minister of Health, and I preface it by saying to this minister —

**The Speaker:** Who's it to?

**Mrs McLeod:** — to the Minister of Health, Mr Speaker — the idea of levels-of-care funding was that you would set a reasonable standard of care that met the needs of residents in homes for the aged and nursing homes, and then you would provide adequate funding to deliver that standard of care, Minister. That is not what you've done. You've simply set a rate of funding that has nothing to do with the level of care that residents in our seniors' homes need.

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I want to pursue the issue of what I think people in Sudbury would consider an inappropriate situation, in fact what I think people across this province would consider an inappropriate situation, and it relates to an Extendicare nursing home in Sudbury.

A couple of citations I want to read into the record, and I'm quoting from the ministry's own inspection records from 1994 when the following situation was reported in this particular home in Sudbury: that a number of patients were observed to have dry exudate around eyes, long dirty nails, female residents with long facial hair, dried food on residents' faces hours after meals; also in 1994 that soiled and clean linen are stored together in a shower room. In 1995, and again I'm quoting from ministry inspection records, "Many gerry chairs and wheelchairs are soiled." Minister, there are many other quotes and I know you can obtain a record of that for yourself. In a 1996 report, I quote, "Physicians don't always document on the residents' health records each visit."

It's quite possible that the specific problems from 1994 and 1995 have been addressed, but it is clear that year after year your inspectors have found problems with this particular nursing home. You, Minister, have the power, if you are in any way concerned about standards and enforcing standards, to protect the residents of this home. You have the power to call in your enforcement unit and order immediate action to protect the health of the seniors there. I ask you why this isn't happening, why you have failed to issue an enforcement order against this facility.

**Hon Mr Wilson:** Perhaps if I knew the name of the facility, I would be a little wiser and be able to act on the concerns being expressed. As you know, compliance



advisers, registered nurses are available to go into homes and make sure they're living up to their service agreements that they signed with residents and with the Ministry of Health. There are no exceptions to the rules.

The highest-quality service must be delivered within the guidelines provided by the government, and when there is a potential breach or an alleged breach, we want to know about it and we have inspectors and compliance advisers that will go in. They're also available during this transition period as levels-of-care funding is implemented, and I remind members that 74% of the long-term-care facilities in this province will see enhanced funding as a result of the government's action.

**Mrs McLeod:** I'm talking about the Extendicare home in Sudbury. I'm surprised the minister is not aware of it since he has, year after year, reports from his inspectors, including the current year, which indicate concerns with this particular home, about which he might have been looking at taking action through an enforcement order.

If the minister's prepared to look into it, I'll ask him to consider something else directly related to this situation, because I say to you that as a result of abandoning any standards for the level of care that our seniors are going to receive, Extendicare is free to reduce its staffing. They are going to lay off some 13 full-time equivalent employees in this very Sudbury home where the problems have been recurring for several years.

Minister, I suggest that thanks to your decision to abandon nursing home standards, we now have a situation where a nursing home operator is laying off employees at a home where there is a recurring and significant problems with the care the residents are receiving, and I ask how you can justify that situation.

**Hon Mr Wilson:** I made it very clear when we made the announcement to move to levels-of-care funding that some 2,000 or over 2,000 nurses and workers in our long-term-care facilities, nursing homes, homes for the aged, charitable homes for the aged, will be experiencing a shift in employment. They will be moving to homes where traditionally levels of funding have been reduced.

We anticipate, though, with the increased levels of funding that there will be a net increase of a few hundred jobs in the overall sector. This is in addition to the 4,400 jobs we announced in long-term-care, community-based services as a result of the 170 million new dollars put into that system. So there will be a net increase in jobs.

I would be happy, on behalf of the honourable member, to look at the situation with Extendicare in Sudbury. She has already pointed out that ministry officials are obviously involved there. I'll be sure to follow up on it. It's not one that's been particularly brought to my attention in the last few days, but we do have complaints from time to time. The same system and the same standards, in fact enhanced standards, are in place today that were in place at the time the honourable member was a member of the governing side of this House.

**Mrs McLeod:** That's just not possible. You have abandoned the setting of standards. You no longer require the 2.25 hours of nursing care per week. You haven't set new standards that have anything to do with care; you've just set a rate of funding. As a result of that, even in a nursing home which is about to get some new dollars because you've shifted the money around, they are going

to lay off employees. There will be less care, and in this case less care in a home that is already delivering care that is not adequate for the people in that residence.

Minister, surely you are already aware that there is a nursing home operated by this same company in Timmins, operated by Extendicare, that is under an enforcement order from your ministry. I have inspection reports which paint a very troubling picture of that facility, and I am glad you did take action in that case. It's our information that Extendicare was also planning to lay off employees in that home in Timmins but they have rescinded those layoffs as a result of the enforcement order.

I ask you, Minister, will you issue an enforcement order for the Extendicare nursing home in Sudbury, and will you do that before the company lays off employees at that home where there is a potential to make a bad situation even worse?

**Hon Mr Wilson:** I think it would be prudent to take the opportunity to look at the facts. I will do that. I will contact our ministry inspectors this afternoon and be brought up to speed with respect to that particular home. We may very well find that the inspectors are doing everything possible there, and they'll take the matter very seriously. The concern is there. The standards are in place. They have not, as the honourable member alleges, in any way been lessened.

The 2.25 hours was a union transition measure; it had nothing to do with standards in homes. I'm sorry the previous government spun it that way, because it was completely false to do so. The fact of the matter is, the standards are there and the inspectors are there.

I will look into this particular situation on behalf of the honourable member.

## ONTARIO HOUSING CORP

**Mr Bud Wildman (Algoma):** I have a question to the Minister of Municipal Affairs and Housing. In your business plan, you refer to restructuring of the Ontario Housing Corp. Is the ministry intending to prepare OHC for privatization?

**Hon Al Leach (Minister of Municipal Affairs and Housing):** As we mentioned in the Common Sense Revolution, we don't believe that government should be in the housing business, and we are looking at various options on how to approach the portfolio of OHC. We know the Liberal Party in Ottawa also feels it should get out of the housing business. We don't believe we should be in the bricks and mortar business and we're reviewing a number of options that are available to us at this time.

**Mr Wildman:** I have a document entitled Interim Communication Strategy, the proposed restructuring plan of OHC. It's labelled "Confidential for purposes of advice to the minister." The document proposes a special corporation, and on page 4 says: "It will be responsible for restructuring and changing public housing. This will include streamlining the system and undertaking appropriate portfolio management and privatization initiatives." Yet on the very same page, page 4, under "Communications," it tries to spin this as something else when it refers to the public environment. It says, "It needs to be made clear that this initiative is the restructuring of OHC, not privatization."



Which is it? Why does your plan say you're going ahead with privatization, and then when you talk about communications you try to spin it as the exact opposite?

**Hon Mr Leach:** We're always trying to ensure that we operate as efficiently as we possibly can. Certainly we're looking at the restructuring of OHC. We want to make sure the residents of OHC are given the most effective and the most efficient service they can possibly have. That's our plan. OHC is looking at how they can deliver their services more effectively, and that's what that addresses.

**Mr Wildman:** The business plan says "restructuring," yet in the plan you have here, which is based on a background study done by Ernst and Young, you keep saying it isn't privatization, but you also say that you're paving the way for privatization.

If this report isn't about privatization, why is privatization mentioned throughout? If it's not about privatization, why does it describe tenants' groups like Low Income Families Together, Homefront and the Federation of Metro Tenants' Associations as "particularly hostile" in the report? If it's not about privatization, why does it describe the initiative as "the biggest change in public housing since its creation"? Why don't you admit what you're doing, that you're trying to hoodwink the very groups that you think are hostile because they have reason to be?

This is about privatization and unloading. It's not restructuring; it's unloading housing to the private sector. You're scaring these people. Why don't you be straight with the public and say exactly what you're going to do instead of, in this document, simply saying "restructuring"? Are you going to privatize? If so, when and how, and how is it going to affect the tenants?

**Hon Mr Leach:** Again I want to tell the honourable member of the third party that we're looking at all the options that are available to us. Obviously, privatization is one of the options being reviewed and looked at; so is the restructuring of OHC. We just want to make sure we provide the most efficient services we possibly can, and we intend to do that.

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## ONTARIO PUBLIC SERVICE RESTRUCTURING

**Mr Peter Kormos (Welland-Thorold):** I've got a question to the Chair of the Management Board. We've had a chance to take a look at your so-called business plans. They are plans; they're plans for business. They're plans for business to get rich and for the rich to get richer at the expense of voters and taxpayers and the public here in the province of Ontario.

In this so-called business plan it becomes clear that the Ministry of Environment and Energy plans to privatize water and sewer services and Ontario Hydro. You're not redesigning government; you're selling it off to your rich friends. When you're finished with the great Ontario selloff, how can you guarantee that public safety will be enhanced, that Ontarians will have and continue to have a safe, secure supply of drinking water and a reliable energy supply? Just how can you guarantee that when your private friends are taking over the operation?

**Hon David Johnson (Chair of the Management Board of Cabinet):** This is the first time in the history of the province of Ontario that we have developed business plans that the people can see, can judge the performance of this government. Are you asking me, are the business plans perfect? Are you asking me, will the business plans improve as the years go by? Are you asking me, will we have input from the people of the province, from the stakeholders, from those in the environmental community? Yes, we will. Yes, they will improve.

But we have a document, the first of its kind in the province, which sets out standards, which sets out core businesses, which sets out performance standards. We will work with the people of the province and the people of the province will hold us accountable with regard to these standards, as they should. That's good government, that's open government, that's visible government and that's the kind of government the people of Ontario want to see.

**Mr Kormos:** The problem is that's just not the case. This government said it was going to set up a privatization committee to examine parts of the government to be sold off and to receive input, but in the meantime the government has in fact been selling off public assets, government services. A few weeks ago was announced the privatization of the central collection agency of the government. The government says there are going to be some \$2 million saved. What they don't say is that more than that is inevitably going to be spent on the commissions to the private sector doing this same work.

On page 57 of these so-called plans, for the Ministry of Consumer and Commercial Relations section, it states, "Civil servants do not need to deliver public safety programs and services for the government to be satisfied that public safety standards are met." That's balderdash.

I ask the minister, why is he privatizing services before there's been any examination by the privatization committee, before there's been any input, and indeed before there's been any determination of efficiencies as compared to the chaos and disaster that's going to be generated?

**Hon David Johnson:** There have been some initiatives in terms of what I would call contracting out, outsourcing. There was a report in the daily news last week with regard to bill collection services. That's one activity that's being discussed. But I can tell you, as the Minister of Finance has indicated in the budget process, a framework structure is being developed for privatization which will guide the key issues. If Ontario Hydro, for example, and TVOntario and the LCBO and those sorts of agencies are to be considered for privatization, then the framework developed by the Minister of Finance, which I understand will be available within the next few weeks, months or thereabouts —

**Ms Frances Lankin (Beaches-Woodbine):** What about water and sewer safety?

**Hon David Johnson:** I would suggest to the member opposite, with regard to water and sewer provisions, that framework will be before us. You'll be able to see that framework and there will be accountability within that framework, and I think that will be important.



What we're seeing here today are business plans governing the activities of the provincial government, putting forward performance measures to which the people of Ontario can hold this government and future governments accountable.

**Mr Kormos:** Look, it's clear that Ontario's being sold off, that the assets of the people of Ontario are being sold off to the rich friends of this Tory government. Foreign investors, I tell you, are drooling at the prospect of buying institutions and services that have taken years for our parents and those before them to build and pay for.

Brokerage houses like Morgan Stanley are ecstatic at the money they're going to make from the great Ontario selloff. The French government — listen — has already expressed great interest about purchasing parts of Ontario Hydro and taking over bill collecting and the delivery of local water services. Lyonnaise des Eaux, a French water firm, has already opened a Toronto office in an attempt to pounce on this great Ontario selloff. Other foreign investors are lining up for their share of the windfall.

Minister, how can you guarantee that the interests and the public safety of Ontario are going to come first, and not the interests of foreign investors?

**Hon David Johnson:** First, I would like to say that if foreign lenders are drooling, foreign investors have been drooling for past five years with regard to the debt and the deficits run up by the government represented by the third party. It was common during that period of time that about 60% of the deficit was funded through foreign lenders, lenders from the United States, from Europe, from Japan. That's when foreign lenders were drooling.

*Interjections.*

**The Speaker (Hon Allan K. McLean):** Order.

**Hon David Johnson:** With regard to privatization —  
*Interjections.*

**The Speaker:** Order. I can't hear, Minister.

**Hon David Johnson:** With regard to privatization, this government has said over and over again that we will not privatize for the sake of privatization. That part of the framework which will be coming forward will involve conflict of interest, will involve benefit to the taxpayers of the province. Before any service, whether it be Ontario Hydro, whether it be the water services, whether it be the LCBO, before anything would be considered for privatization, there must be a benefit to the people of the province of Ontario. I would assure not only the member opposite but the people of Ontario that that will be the approach taken by this government.

GUY PAUL MORIN

**Mr Robert Chiarelli (Ottawa West):** My question is to the Attorney General. For the record, earlier today I gave the Attorney General notice that I would be asking a question on the Guy Paul Morin case.

The Guy Paul Morin case is Ontario's version of a gross miscarriage of justice on the scale of a David Milgaard or a Donald Marshall. In February 1995, then-Attorney General Marion Boyd, on behalf of the government of Ontario, announced a public inquiry into the case. At that time, she specified that the names of the judges and the inquiry's terms of reference would be an-

nounced within two weeks. That was some 15 months ago.

In May of last year, during the 1995 election campaign, Premier Harris promised the inquiry would be a priority if elected. In July 1995 you yourself immediately confirmed this promise upon your appointment as Attorney General. That was some 11 months ago. In January 1996 you said the inquiry would be up and running early in the new year. That was five months ago.

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Minister, the opposition has been patient, the public has been patient and the Morin family has been patient. If I might add, given the circumstances, they've been very non-political on this matter. I ask you: Your ministry has had 15 months to set up an inquiry. It is either incompetent or it has ulterior and strategic motives for not proceeding with this inquiry. Which is it?

**Hon Charles Harnick (Attorney General, minister responsible for native affairs):** We are still committed to providing the inquiry into the circumstances surrounding Mr Morin's involvement in this matter. We as well, as my friend from Ottawa West knows, have appointed Justice Alan Gold, a former justice of the Quebec superior court, who is dealing with some of these outstanding matters. We're taking direction and advice from Justice Gold and I hope we will be in a position to make announcements pertaining to the many outstanding issues very shortly.

**Mr Chiarelli:** Attorney General, you'll be aware of the fact that Justice Gold indicated that neither the issue of compensation nor additional police investigation should interfere with the public inquiry, that the public inquiry should be of predominant concern to the ministry and the public.

My supplementary basically has to do with a letter which you no doubt have seen. It's dated May 10, 1996, sent to your Deputy Attorney General by Ian Binnie of McCarthy Tétrault, the Morin family lawyer. The letter states: "I regretfully draw the conclusion from the continued inaction of the Ontario government on the compensation issue, after almost a year and four months after the conclusion of Mr Morin's appeal, that the Ontario government has no serious interest in making a settlement of the Morin family lawsuit. Accordingly, may we please have your statement of defense within 30 days of today's date."

My question is this, Minister: Is the Ministry of the Attorney General, by delaying this inquiry, frustrating the administration of justice in order to leverage a lower financial settlement?

**Hon Mr Harnick:** In response to that question, I can tell the member that we have responded to Mr Binnie's letter. One of the issues in terms of the issue of compensation as we work with Justice Gold, whose advice we are taking on this, is quite simply the fact that although a great deal of time has passed, a number of the issues that pertain to the issue of compensation were not provided to the ministry from Mr Binnie until early in the 1996 calendar year. As a result of that, there has been some delay in our ability to deal with the various items that will make up a compensation package. We have



certainly conveyed that to Mr Binnie and, as I've indicated, hope to be in a position very shortly to resolve these long outstanding matters.

### EMPLOYMENT STANDARDS

**Mr David S. Cooke (Windsor-Riverside):** I have a question to the government House leader. The Minister of Labour has said the intention of Bill 49 was to deal only with minor housekeeping matters under the Employment Standards Act. Our caucus was quite pleased to hear from you at the House leaders' meeting the other day that you were prepared to take a look at sections of this legislation that were contentious to be removed so that the housekeeping matters under this legislation could move ahead.

We've identified some of the sections of the bill that other stakeholders as well consider to be contentious. Examples are flexible standards allowing employers to table terms in collective bargaining that fall below the employment standards minimum, a forced choice between a court's and employment standards' enforcement, setting a \$10,000 maximum and an unspecified minimum that would prevent some workers from getting the money they are owed, cutting back the time limit to an unreasonable six months, which means many workers would be blocked from the Ministry of Labour enforcement of their rights, and there are other sections.

I ask the minister, are you prepared to agree with a number of groups which have identified these issues as contentious, pull them out of the act and put them in with the major review of the Employment Standards Act so we can get on with business in the Legislature?

**Hon Ernie L. Eves (Deputy Premier, Minister of Finance and Government House Leader):** That decision will have to be made by the Minister of Labour. I refer the question to the Minister of Labour.

**Hon Elizabeth Witmer (Minister of Labour):** I think it's very important to recognize the fact that the changes we're making to the Employment Standards Act are preliminary changes. Many of these are very consistent with the changes that have been made to employment standards in other provinces throughout Canada; they are no different whatsoever.

There is also a tremendous amount of misleading information that has been distributed. For example, there is a cap as far as \$10,000 that can be obtained by an employee if you use the Ministry of Labour. However, if you wish to obtain more money you can go through the courts. I would indicate to you that the majority of cases that are above \$10,000 are usually people in middle-management positions who usually are using the courts as well as employment standards.

I would indicate to you that we are quite prepared to have hearings here in Toronto; we've indicated we would do that. We're quite happy to receive the input and the suggestions you might have for changes to the legislation at that time.

**Mr Cooke:** That wasn't the question, and that's why I asked the government House leader, since he is the one who negotiates the schedule in this place and made a commitment at a House leaders' meeting that he would

take a look at items that were contentious and whether they should be pulled out of this piece of legislation.

I'd like to ask the Minister of Labour, since it's been referred to her, does she not understand that she can stand up and give whatever defence she wants of her legislation, but when she introduced the legislation she said it was housekeeping? Many people in organized labour, many at legal clinics across the province and other advocates do not believe that this legislation is non-contentious; that there are in fact very substantial items. Why don't you live up to your word and make the substantial changes part of the major review and put through your housekeeping legislation alone this spring? Why are you trying to make major changes and mislead people by saying that they're minor changes? That's what it's all about.

**Hon Mrs Witmer:** I would just like to remind the members opposite that I recognize there is an NDP leadership convention; I recognize that you are looking for union support. However, I would also like to indicate to you that the changes we are contemplating are no different from any changes that have been introduced in the other nine provinces in Canada. They are not major changes.

**Mr Ted Arnott (Wellington):** On a point of order, Mr Speaker: I think the member for Windsor-Riverside used unparliamentary language. I ask you to ask him to withdraw his unparliamentary statement.

**The Speaker (Hon Allan K. McLean):** I heard the word, but in the phrase it was used I thought it may have been all right in the way it was used. But I don't condone the use of that language.

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### CONDOMINIUM LEGISLATION

**Mr R. Gary Stewart (Peterborough):** My question is to the Minister of Consumer and Commercial Relations. As members in this Legislature, we have all been contacted at one time or another by condominium unit owners, developers, property managers or lawyers who have told us that the current Condominium Act needs to be updated to deal with the issues and practices of today's condominium marketplace.

In response to these requests, Minister, you announced on April 4 in the Legislature the release of a working draft on reform to the Condominium Act. You also indicated that the deadline for submissions on the working draft was May 15, 1996. Could the minister provide an update on this initiative to the House and to our constituents?

**Hon Norman W. Sterling (Minister of Consumer and Commercial Relations):** I am indeed encouraged by the response I am getting back from members of the Legislature with regard to the process we're going through to amend the Condominium Act.

As you know, in April I introduced this working draft paper and it has attracted much attention from all of the stakeholders involved with condominiums. My parliamentary assistant, Jim Flaherty, has been meeting constantly with these people over the past while. It became apparent



to Mr Flaherty and myself that the May 15 deadline was unrealistic, so on May 17 we announced that we would extend the deadline to June 28 of this year in order for all the groups to have an opportunity to examine this very complex bill and to put forward their constructive suggestions so we can have a very, very good piece of legislation to put forward to the House.

**Mr Stewart:** Minister, you indicated in your original announcement on April 4 that you intended to introduce legislation to reform the act this spring. With an extended deadline, as you have mentioned, to June 28, this will no longer be possible. Can the minister tell me what process he now intends to follow and when he will introduce legislation in this House?

**Hon Mr Sterling:** I'm indeed a little disappointed that I wasn't able to carry through the consultation process on the original time frame, as I would like to get this piece of legislation introduced into the Legislature and get on with the legislative process as soon as possible. However, I do believe the more prudent action is to have further consultations this summer, and we will plan to introduce the legislation this coming September or October. It's interesting that the people who are participating in this process would much rather meet together as stakeholders, talk with each other and try to make compromises within a more or less formal atmosphere than is presently available in the legislative process.

I'm looking forward to seeing how this piece of legislation works out, and with regard to the possibility of following this new avenue with other pieces of legislation so that we can have the best possible legislation in this province, and with a lot of consultation, I hope not only from members of the public but from members of this Legislature as well, not only on the back bench of the government but also from the opposition.

#### NEWSPAPER SUBSCRIPTIONS

**Mr Bruce Crozier (Essex South):** My question is for the Minister of Finance. I know you're having trouble making up for the revenue you've lost through the tax cut for the rich and I know these budget constraints you've had to go through. It has been decided that you're going to cancel all the subscriptions to weekly newspapers for the legislative library. In cancelling these, you're asking for the balance to be paid back to the government. Something was mentioned about privatization by the Chair of Management Board and he said that perhaps, if the US is drooling about the chance to invest in our private businesses, those in Ontario are frothing at the mouth.

Minister, I have in my hand a cancellation refund request to a small weekly newspaper in my riding. But could you explain to us, if you want to help business in Ontario, why the company is EBSCO publishers' services department in Birmingham, Alabama?

**Hon Ernie L. Eves (Deputy Premier, Minister of Finance and Government House Leader):** I believe this is something that falls under the auspices of Management Board or the Board of Internal Economy.

*Interjections.*

**The Speaker (Hon Allan K. McLean):** Order.

**Hon David Johnson (Chair of the Management Board of Cabinet):** In all the hubbub from the other side, it was very hard to hear the question, but I do know that advertising costs for the province generally come from two sources: One is Management Board, which would deal with government advertising, and another is for the main Legislative Building, which deals with the Board of Internal Economy. As with all other costs, there has been a containment put on advertising costs both from the province of Ontario and from the Board of Internal Economy.

I'd be happy, if the member would give me the details again — I'm sure he will in his supplementary — to look into this particular case and get him a more precise answer.

**Mr Crozier:** Speaker, I'd like you to know and the members of this place and the people watching that this minister does not know what he's talking about. This isn't a question of advertising, Minister, it's a question of cancelling subscriptions to weekly newspapers. I'd like to know what you think of the fact that the company requesting the return of funds — and you're going to have to pay them — is located in Birmingham, Alabama. What do you think of that?

**Hon David Johnson:** Again, there is a containment of costs that is required, and yes, certain subscriptions have had to be cancelled. I would be happy to look into the details of this particular situation and report back directly to the member involved.

#### MUNICIPAL FINANCES

**Mr Gilles Bisson (Cochrane South):** My question is to the Minister of Municipal Affairs and Housing. You're embarking on a so-called disentanglement initiative with municipalities, and in discussions I've had with municipal leaders around the province, they really worry that what you mean by this disentanglement process is that you're going to dump many provincial services now delivered by your government on to municipalities. They worry that this is going to mean possible new user fees or increased user fees, and they also worry that it might mean that to offset those costs, they have to raise property taxes. I am talking to local ratepayers' associations around the province. They also have the same concern.

I say to you, Minister, there is only one taxpayer. We have heard this in the House by your government when you were the third party; we're hearing it again. There is only one taxpayer.

Will you absolutely guarantee that your disentanglement process will not result in increased property taxes or new or additional user fees to the ratepayers of this province?

**Hon Al Leach (Minister of Municipal Affairs and Housing):** The one thing I can guarantee is that our approach to disentanglement is going to work a whole lot better than your approach did.

It is a good idea that anytime you can separate the delivery of services between municipalities and the province, it should be done. Even you agreed with that. What you try to do, as much as you can, is to ensure that



the separation of services is done in a method that doesn't add cost to the delivery of one side or the other. If I take X, you take Y, and it's a balancing thing. The same approach had been tried by all parties in this House, except that this party will succeed.

**Mr Bisson:** Minister, you sounded awful nervous in your response to my first question. That makes me worry even more. We, the third party, the New Democrats, believe with you that disentanglement is an objective that we should be working towards. The difference is that as government we said we were going to do that, but not at an additional cost to municipalities and certainly not at the cost of increased municipal taxes or user fees.

In an article that appeared on May 9 in the *Globe and Mail*, you're quoted as saying, "The goal of the negotiations should not be" —

*Interjections.*

**Mr Bisson:** Speaker, I want members of the House to listen to this. Here's what the minister had to say: "The goal of the negotiations should not be, as it was with the NDP effort, an effort to get an exact equivalent of dollars transferred between the two levels." That sounds to me like you're saying you're going to allow local municipalities to either increase property taxes, or force them to do it, or increase user fees because of the transfer of services that you're going to do from the provincial government down to the municipalities.

I ask you again, Minister: Will you guarantee in this House today that when you go through this process of disentanglement it will not result in increased property taxes to ratepayers or new or increased user fees? Come clean. Answer the question.

**I450**

**Hon Mr Leach:** Disentanglement is a matter of negotiation between the two parties, and there's more than just municipalities; there are the other sectors involved as well. What we're going to try and do is to ensure that we establish a system that provides the most efficient delivery of services, and I think we can do that, just as you thought you could do it and so did the Liberals. I think it's a goal to try and attain.

Whether you do it by ensuring that it's right to the penny — I don't know if that can be done. The province may have to assume slightly more expenditures or municipalities may have to, but if it's all in the process of ensuring that the public receives the most efficient delivery of services at the most economical cost, that's what should be done.

#### AGRICULTURAL TRADE

**Mr Tom Froese (St Catharines-Brock):** My question is to the Minister of Agriculture, Food and Rural Affairs. International trade is very important to the province and especially to agriculture. One just has to look at the Ontario grape and wine industry, especially in Niagara region and particularly Niagara-on-the-Lake. They have become internationally known for their quality and taste and are winning gold medals all over the world.

Mr Speaker, I know that you, along with the Minister of Agriculture, Food and Rural Affairs and certainly the Minister of Consumer and Commercial Relations, the

Honourable Norm Sterling, as well as all members of this House, enjoy Ontario wine and will choose it first over all international wines. In addition, the Ontario tender fruit industry, particularly the peach sector, is exporting its products to the US.

Minister, could you tell us if there are any other international opportunities for Ontario's agrifood business?

**Hon Noble Villeneuve (Minister of Agriculture, Food and Rural Affairs, minister responsible for francophone affairs):** To my honourable friend from St Catharines-Brock, that area where most of our very good Ontario wine comes from, yes, we are exporting wine to places like Italy and France, where indeed wine originated, and we are winning awards.

On my recent trip to Asia, I can tell you that the Asian importers told us that our pork, our soybeans, our tobacco are among the best in the world, that the quality is number one. As we speak, we have Japanese and Chinese importers in Ontario making deals. Yes, we do have some of the best food products in the world and we have been just a little bit shy in telling the world.

**Mr Froese:** I would like to further ask the minister how this government is supporting agribusiness to ensure that it continues to grow and create jobs in Ontario.

**Hon Mr Villeneuve:** I'm very pleased that my colleague asked me that. We did provide \$8 million to the ethanol industry very recently. We did provide, in the budget, \$15 million for research, development and marketing. We will also be exempting, for farm building construction, up to \$20 million — an estimate — and providing a rebate for the provincial sales tax. It's good news all across Ontario.

#### JUNIOR KINDERGARTEN

**Mr Richard Patten (Ottawa Centre):** My question is to the Minister of Education and Training. As you well know, school boards across the province have had to terminate junior kindergarten programs due to the decrease in funding that you are providing that program, not because it's a local option. It's a financial decision, not an educational decision.

In defence of your cuts and your support to junior kindergarten, you continually make reference to the review of JK which you say is under way at the moment. I wonder if you could share with us today with whom you and your staff are consulting and when we might expect to have a report on this review.

**Hon John Snobelen (Minister of Education and Training):** As the honourable member knows, this government is proud of keeping its commitments to the people of Ontario, and particularly those commitments that were spelled out in the Common Sense Revolution. So I and my colleagues are very proud of living up to our commitments in the area of junior kindergarten and restoring it as a local option to school boards across the province, and of funding it at the same rate as other education products and services across the province.

As far as the review is concerned, we are committed to an in-depth review of early childhood services in the province of Ontario. We had an internal look at the



history of junior kindergarten, how it's offered in other jurisdictions, the history of it in Ontario. We have completed that internal piece of work. Now one of my colleagues is investigating the whole area of child services in the province, because we believe these must be integrated. When that report is complete, we will look and see what process we need to develop in order to have a thorough look at not just junior kindergarten, but in fact how we offer services and support to the most at-risk young people in our province. That's what our intention is.

**Mr Patten:** I noted that he didn't mention one party, one group, that he's consulted with, and I also note that now, all of a sudden, there's a shift to Janet Ecker's work with child care and day care. That was never made reference to before. All of a sudden now there's a shift because nothing is happening in your ministry related to junior kindergarten review.

Minister, you said in January, and I quote, "At the end of the review, if we come to the conclusion that the system that was in place last year or this year was the right system, we will put it back in place, and this will include funding and mandatory status and all the rest of it." That's from you.

Does it make sense to destroy a program only to find out later that perhaps you should keep it? At the moment, you're destroying the option for kindergarten because it's a financial decision. Every single study that we heard in the last week across this province suggested the incredible benefits of junior kindergarten. Why do you continue to put the cart before the horse?

Will you commit yourself today to keep the funding in place for junior kindergarten until a thorough review is made and until the results of that review are known?

**Hon Mr Snobelen:** I can say this. I have also seen the reviews and some of the studies that have been done on different early childhood education programs around the world. Many of those programs, I'm sure the member will agree, differ considerably from the junior kindergarten program that's offered, or has been offered up till now, in the province of Ontario. We believe a thorough review is necessary. We believe it should be comprehensive. We believe we should look at the whole of child services in the province of Ontario.

Our commitment remains the same. Our commitment remains to provide services to the most at-risk kids in the province of Ontario, and we will use all of the assets of this government to do that. We will use all the people we have, all the ministries we have, to focus on that. I intend to be part of that, and a very serious part of that.

#### SOCIAL ASSISTANCE

**Mrs Marion Boyd (London Centre):** My question is for the Minister of Community and Social Services. I'm sure you've been made aware of a study that was released yesterday by the Nishnawbe-Aski Nation, a study which began under our government but which your government refused to continue funding.

There's no wonder that you probably didn't want to hear the results, but NAN and the Grand Council Treaty

3 went ahead without your help and they found that even with the special northern allowance of \$280 per family, social assistance recipients in remote communities cannot come close to adequately feeding their families.

There's no shopping around in those communities. The vast majority of them are reachable only by air. In the communities which are accessible by road, just the transportation costs to get to a grocery store range anywhere from \$16 to more than \$300 a month. Minister, what are you going to do in response to these findings?

**Hon David H. Tsubouchi (Minister of Community and Social Services):** First of all, we acknowledge that it is challenging for some people to live on restricted budgets, but I would like to reiterate, as I have been for several months, the fact that we reduced the welfare benefit, that's true, but we reduced it at 10% above the average of the other provinces.

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In connection to that, we also introduced the ability of somebody to earn back the difference between the old and new rates. This is something we're trying to encourage. As the member has said, it is true that we have a special allowance that takes into account the fact that —

*Interjections.*

**The Speaker (Hon Allan K. McLean):** Order. I can't hear the minister. It's a problem when we have interjections.

**Mr Dominic Agostino (Hamilton East):** You're not missing anything. Don't worry about it.

**The Speaker:** The member for Hamilton East, come to order. Minister.

**Hon Mr Tsubouchi:** Thank you, Mr Speaker. As I was saying, we have a special allowance that acknowledges that there are additional costs to some remote northern communities. We did not cut this special allowance for the northern remote communities. I'd like to point out as well that there is a variance in the amount that someone can get, but that also varies with the size of the family. That is taken into account, and that program was supported by the members across.

**Mrs Boyd:** The minister is clearly identifying for everybody in the province that he's not aware of the real facts of the matter for the nations that we're talking about.

There's no denying that the cost of living has always been higher in the northern communities, but surely the minister knows that unemployment in those communities can be as high as 90%. Where does he suggest they go for a job? They can't fly in and out every day to a job. Because of your government's 21.6% cut to benefits, many families in first nations communities in Ontario's north spent this winter making the choice between fuel and food, to quote NAN Grand Chief Charles Fox. In other words, there isn't enough to go around even with the special northern allowance.

Minister, what are you saying to these families? That they just have to grin and bear it? What are you going to do about the fact that hundreds of people in these far northern nations are not able to feed their families properly? They have none of the facile alternatives that you suggest. Just exactly what are you going to do to



make sure those families and those children do not get faced with this horrible choice between warmth and food?

**Hon Mr Tsubouchi:** What the honourable member points out is the importance of our workfare program, which we'll introduce shortly. Clearly the members opposite would like to support a program of more of the same, basically do nothing to try to resolve the problem that has ballooned over the last 10 years.

I'd like to add, in closing, that I have met recently with the Chiefs of Ontario. We have been discussing some of the issues they're aware of, including workfare. We'll continue to have discussions with them to try to find some solutions for their communities, and they're willing to sit down with us and find those solutions.

#### NOTICE OF DISSATISFACTION

**Mrs Marion Boyd (London Centre):** I wish to register dissatisfaction with the last answer from the Minister of Community and Social Services. I will be filing the appropriate papers.

**Mr Gilles Bisson (Cochrane South):** On a point of order, Mr Speaker: In answer to a question, the Minister of Agriculture, Food and Rural Affairs had quoted that wine was invented and created in France. For the record —

**The Speaker (Hon Allan K. McLean):** Order. Will the member take his seat, please.

#### PETITIONS

##### NON-PROFIT HOUSING

**Mr Alvin Curling (Scarborough North):** I have a petition to the Legislative Assembly of Ontario.

"Whereas the Ontario government has clearly indicated that it 'wants to get out of the housing business'; and

"Whereas the Ontario government is reviewing the legal contracts and budgets of every co-op housing project in the province; and

"Whereas the Ontario government has announced plans to make huge cuts to co-op and non-profit housing funding; and

"Whereas the Ontario government wants to replace affordable housing with subsidies to private landlords; and

"Whereas co-op housing is a proven success in providing affordable homes owned and managed by the people who live in them; and

"Whereas the actions of the Ontario government threaten to destroy stable, well-maintained communities which have been built over the last quarter of a century and the investment all Ontarians have made in this type of affordable social housing;

"We, the undersigned, request that the Ontario government sit down with the co-op housing sector to negotiate a deal which will ensure the long-term financial viability of housing co-ops and the continuance of rent-geared-to-income assistance upon which thousands of co-op members depend and which will promote greater responsibility for administration by the co-op housing sector and less

interference by the government in the day-to-day operations of housing co-ops."

I affix my signature to the many who have signed this petition.

#### SOCIAL ASSISTANCE

**Ms Marilyn Churley (Riverdale):** I have a petition from people in my riding who are concerned about what is happening to the poor in this province. It reads:

"We, the undersigned, believe it is wrong to put the burden of fiscal restraint on the most vulnerable and powerless people in society, in effect scapegoating welfare recipients for the financial problems we as a whole society are responsible for.

"Therefore, we call on the provincial government to re-examine its welfare cuts, and at the very least: (1) establish rates that reflect the fact that the Metro Toronto rental market is 40% more expensive than the average in major Canadian cities; and (2) exempt those from cuts who would be unable to work to make up the difference, such as single parents of pre-school-aged children."

I affix my signature to this petition.

**Mr Toby Barrett (Norfolk):** A petition from the Canadian Catholic Organization for Development and Peace, a message for Premier Harris of Ontario:

"By placing an undue burden for the fiscal recovery on the backs of the poor, your government is reneging on its responsibility to protect the most vulnerable of our society.

"We ask you, the government of Ontario, to first and foremost consider the common good of all the people of Ontario in your fiscal and economic decisions."

I append my name to this petition.

#### ONTARIO HYDRO

**Mr John C. Cleary (Cornwall):** I have a petition to the Legislature of Ontario.

"Whereas the matter of selling off Ontario Hydro is likely to come before the Legislature in the near future;

"Whereas we, the undersigned retirees of Ontario Hydro, who have, through the payment of electricity rates, help pay for Ontario Hydro, are concerned about privatization of Ontario Hydro, leading to higher rates, lower reliability and compromised nuclear safety,

"We, the undersigned, petition the Legislature of Ontario as follows:

"Please preserve the public ownership of Ontario Hydro and refuse to sell off this important public asset."

I affix my signature to that.

#### LOTTERY TICKETS

**Mr Peter Kormos (Welland-Thorold):** I have a petition which is appropriately labelled "Petition," and it reads:

"We, the residents of Ontario, demand that Thorold Magazine be allowed to sell lottery tickets in accordance with the rules and regulations of the Ontario Lottery Corp, and not to be discriminated against because of large corporations having a monopoly and control of lottery operations.

"We, the residents of Ontario, understand that this petition is to be presented to the Ministry of Culture and Tourism, Ontario Lottery Corp and the House of Commons, Legislative Assembly of Ontario, by MPP Peter Kormos, who has been given no response to his request in the denial of lottery tickets to Thorold Magazine."

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#### HURONIA DISTRICT HOSPITAL

**Mr Bill Grimmert (Muskoka-Georgian Bay):** I have a petition signed by approximately 198 of my constituents. It relates to the Huronia District Hospital. I'd like to file it at this time.

#### DELLCREST CHILDREN'S CENTRE

**Mr Tony Ruprecht (Parkdale):** I keep getting petitions against the 10-bed open custody residence for troubled children and youth at 182 Dowling Avenue in south Parkdale. It's addressed to the Legislative Assembly of Ontario and it reads:

"Whereas the residence" at 182 Dowling Avenue in south Parkdale "is an inappropriate site for the rehabilitation of troubled children because it is within walking distance to illicit drug and prostitution activities; a large number of unsupervised and supervised rooming houses that are home to ex-psychiatric patients, parolees and our society's most vulnerable and ostracized members; and a number of licensed establishments that have been charged with various liquor infractions; and

"Whereas the Ministry of Correctional Services and the Dellcrest Children's Centre have decided not to hold open discussions with our community prior to the purchase of this house for the purpose of an open-custody residence; and

"Whereas the decision to relocate also expresses a total lack of regard to our community's consistent and well-documented wishes for the Ontario government to stop the creation or relocation of additional social service programs or offices in an area that is already over-saturated and overcrowded with health and social services for disadvantaged, troubled or disenfranchised people;

"We, therefore, the undersigned local residents and business owners, urge the Ministry of the Solicitor General and Correctional Services to suspend plans to relocate the open-custody residence for troubled children and youth until a full review of the Dellcrest Children's Centre's decision can be conducted and explore with us alternative locations which are much more appropriate."

I'm affixing my signature to this document.

#### DRINKING AND DRIVING

**Mr John R. Baird (Nepean):** I'm pleased to present a petition from the folks in my riding of Nepean, the city of Gloucester and Ottawa, which reads as follows, addressed to the Legislative Assembly of Ontario:

"Whereas drinking and driving is the largest criminal cause of death and injury in Canada;

"Whereas every 45 minutes in Ontario a driver is involved in an alcohol-related crash;

"Whereas most alcohol-related accidents are caused by repeat offenders;

"Whereas lengthy licence suspensions for impaired driving have been shown to greatly reduce repeat offences;

"Whereas the victims of impaired drivers often pay with their lives while only 22% of convicted impaired drivers go to jail, and even then only for an average of 21 days;

"We, the undersigned, petition the Legislative Assembly of Ontario as follows:

"We urge the provincial government to pass legislation that will strengthen measures against impaired drivers in Ontario."

As I am in agreement with this petition, I have affixed my own signature.

#### INQUESTS

**Mr Rick Bartolucci (Sudbury):** To the Honourable Solicitor General and the Legislative Assembly of Ontario:

"Whereas the Progressive Conservative government of Ontario has decided to scrap mandatory inquests as a result of fatalities in the mining and construction industry; and

"Whereas this unprecedented and callous decision sets workplace safety back 20 years;

"We, the undersigned, request the Solicitor General and the Legislative Assembly of Ontario, on behalf of all workers in the mining and construction industry, to reverse this decision to remove mandatory inquests from the Coroners Act of Ontario."

I have signed my name as I believe in it.

#### RENT REGULATION

**Mr Mike Colle (Oakwood):** To the Legislature of Ontario:

"Whereas the Harris government is planning to remove rent controls; and

"Whereas removal of rent control legislation breaks a campaign promise made by the Conservatives during the election; and

"Whereas a great number of tenants are seniors and people on fixed incomes who may have had their income cut by 22% due to social assistance cuts and cannot afford increases in their rent; and

"Whereas growing unemployment and the scarcity of affordable housing in Metro makes removal of rent control an even greater disaster for tenants and for people who cannot afford to buy homes;

"We, the undersigned, petition the Legislature of Ontario as follows:

"That the government of Ontario keep their pre-election promise and not remove rent controls and continue the Landlord and Tenant Act and Rental Housing Protection Act."

I affix my name to this fine petition.

#### VIDEO LOTTERY TERMINALS

**Mr James J. Bradley (St Catharines):** I have a petition signed by a number of Ontarians that reads as follows:



"Since video lottery terminals will contribute to gambling addiction in Ontario and the resulting breakup of families, spousal and child abuse, and crimes such as embezzlement and robbery;

"Since the introduction of video lottery terminals across Ontario will provide those addicted to gambling with widespread temptation and will attract young people to a vice which will adversely affect their lives for many years to come;

"Since the introduction of these gambling machines across Ontario is designed to gain revenue for the government at the expense of the poor, the vulnerable and the desperate in order that the government can cut income taxes, to the greatest benefit of those with the highest income;

"Since the placement of video lottery terminals in bars in Ontario and in permanent casinos in various locations across the province represents an escalation of gambling opportunities; and

"Since Premier Harris and Finance Minister Eves were so critical of the provincial government becoming involved in further gambling ventures and making the government more dependent on gambling revenues to maintain government operations;

"We, the undersigned, call upon Premier Harris and the government of Ontario to reconsider its announced decision to introduce the most insidious form of gambling, video lottery terminals, to restaurants and bars in the province."

I affix my signature to this petition as I'm in complete agreement with its contents.

#### EDUCATION FINANCING

**Mr Bruce Crozier (Essex South):** I have a petition to the Legislative Assembly of Ontario signed by 732 young men and women.

"Whereas many students feel that the government should find other solutions to cut back on government spending; and

"Whereas the government of Ontario has directed hundreds of millions of dollars to be cut from the budgets of school boards in Ontario; and

"Whereas the cuts in the budget will force the layoff of many young teachers and that it will have a deleterious impact on curricular, co-curricular and extracurricular activities;

"Therefore the undersigned call on the Ministry of Education to (1) reduce the required employment time a teacher must serve before retiring without penalty, (2) reduce the number of boards and (3) consolidate the number of school systems into one system."

I present this petition to the Legislature.

#### SOCIAL SERVICES

**Mr Rob Sampson (Mississauga West):** I have a petition that's been presented to me by a number of Mississaugans.

"We, the undersigned, urge you, as representative in Peel, to take action to ensure that Peel region receives its

fair share of funds available for social services. With the present and imminent cuts to budgets, Peel's allotment must be made in proportion to its population.

"Peel does not receive the same share of funds appropriate to its size. In 1994, the amount allocated per child for social service programs in Peel was \$96.52, whereas Toronto received \$338.18 per child and the average for Ontario was \$261.68. An equitable distribution of the available funds is the only tolerable solution."

#### FAMILY SUPPORT PLAN

**Mr Rick Bartolucci (Sudbury):** To the Legislative Assembly of Ontario:

"Whereas we believe that the family support plan is a viable and necessary service provided by the government of Ontario;

"We, the undersigned, hereby petition the Legislative Assembly of Ontario as follows:

"That the proposed centralization of the family support plan will have a negative impact on the children who are supported under this plan and should be cancelled."

I have affixed my name to it as I agree with it.

#### USER FEES

**Mr Tony Ruprecht (Parkdale):** I have a petition that reads as follows and is addressed to the Legislative Assembly of Ontario:

"Whereas the Ministry of Health will begin to charge seniors and social assistance recipients a \$2 user fee for each prescription filled on June 1, 1996; and

"Whereas health care experts have asserted that user fees for drugs could jeopardize the health of individuals who cannot afford to pay for their medication; and

"Whereas Ontario's ex-psychiatric populace relies heavily on prescription drugs to remain stable and mental health care providers and the general public are scared of the outcome of these patients, they can't afford to buy their medication because of the \$2 user fee when it is normal policy to only prescribe them a two- to three-day supply of medication to prevent potential misuse and overdosing; and

"Whereas the perceived savings to health care from the \$2 user fee will not compensate for the suffering and misery caused by this user fee and will not even cover the costs of extra emergency services needed for people whose health has been jeopardized because they cannot afford to pay for their medication; and

"Whereas the current Ontario Minister of Health, Jim Wilson, promised as an opposition MPP in a July 5, 1993, letter to Ontario pharmacists that his party would not endorse legislation that will punish patients to the detriment of health care in Ontario;

"We, the undersigned Ontario residents, strongly urge the government of Ontario to repeal this user fee plan before it takes effect on June 1, 1996, because of the potential dramatic increase in emergency and police services and the suffering and misery of human lives — especially psychiatric outpatients and those who depend on medication for their daily survival."

I'm affixing my signature to this document.



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## INTRODUCTION OF BILLS

### IMPORTATION OF WASTE STATUTE LAW AMENDMENT ACT, 1996

#### LOI DE 1996 MODIFIANT DES LOIS EN CE QUI CONCERNE LE TRANSFERT DE DÉCHETS

Mr Ramsay moved first reading of the following bill:

Bill 56, An Act to amend the Environmental Protection Act and the Waste Management Act, 1992 with respect to the Importation of Waste from one municipality into another / *Projet de loi 56, Loi modifiant la Loi sur la protection de l'environnement et la Loi de 1992 sur la gestion des déchets en ce qui a trait au transfert de déchets d'une municipalité à une autre.*

**The Speaker (Hon Allan K. McLean):** Is it the pleasure of the House that the motion carry? Carried.

## OPPOSITION DAY

### USER FEES

Mrs McLeod moved opposition day motion number 1:

Whereas the Progressive Conservative campaign document promises to ensure that any actions by the Mike Harris government will not result in increases to local property taxes; and

Whereas Mike Harris and his government have repeatedly said that there is only one taxpayer; and

Whereas Mike Harris has repeatedly said that a fee hike is the same as a tax hike; and

Whereas Mike Harris and his government have either introduced new fees or hiked existing fees in the ministries of Citizenship, Culture and Recreation; Consumer and Commercial Relations; Economic Development, Trade and Tourism; Education and Training; Environment and Energy; Management Board Secretariat; Municipal Affairs and Housing; Natural Resources; and the Solicitor General; and

Whereas Bill 26 gave municipalities the power to impose new and increased user fees despite the overwhelming opposition from the electorate; and

Whereas Mike Harris and his government have reduced transfer payments to municipalities by 42%; and

Whereas this reduction has led to property tax increases in various municipalities; and

Whereas transfer payments to school boards, colleges and universities, social service agencies and other transfer partners have also been significantly reduced; and

Whereas these reductions have led to a 20% tuition fee increase; and

Whereas these reductions have forced municipalities to introduce hundreds of new user fees; and

Whereas these reductions will negatively affect the province of Ontario and its citizens; and

Whereas Mike Harris and his government's approach to deficit reduction has led to Ontario now being known as "Home of the User Fee"; and

Whereas the spending cuts leading to all these new fees and fee hikes will ultimately fund the tax cut to the wealthy in Ontario; and

Whereas for the average Ontarian any tax cut will be eaten up by new user fees;

Therefore this House calls on the Mike Harris government to stop any further actions that will lead to new or increased fees at the provincial or municipal level; do a complete inventory of new and increased user fees at the provincial and municipal level; acknowledge the impact of Bill 26 on user fees in Ontario; and present to this House a more balanced approach to deficit reduction.

**Mrs Lyn McLeod (Leader of the Opposition):** I am pleased to rise and speak to the motion, because I am concerned that the government of Ontario, which has introduced user fees or seen increases in user fees beyond anything that we have ever experienced before, is sublimely unaware and intends to remain unaware of the sheer number of user fees that are being introduced or increased in this province.

We have undertaken to keep a list of the user fees, the Mike Harris user fee watch, in order that we can be aware of how the tax cut that is forcing cuts to services and forcing cuts to agencies is leading to new and increased user fees in this province, and how indeed the government itself in every ministry is coping with cuts by new sources of revenue called user fees.

We're undertaking to keep the Mike Harris user fee watch so that we are looking at how these fees are being increased and what the total cost to people in this province is going to be, because the government itself does not want to be made aware and is certainly not keeping any list. In fact, I thought it was interesting that when we presented our first list of some 160 user fees that had not been introduced by the government — we didn't even include those — but that have been introduced by municipalities and communities across the province, the government phoned us and asked if they could have our list so they could at least be aware of what we were keeping track of.

What we are finding is that there are, if you speak very broadly, two kinds of user fees that are proliferating in this province. I want to refer to the first kind of user fees as being user fees of the pickpocket kind. Those are the kinds of fees where the government claims to be putting money in taxpayers' pockets on one hand with its tax cut, but in fact is taking money equally as fast out of their pockets with the other hand.

You could realize that every new user fee and every increase in a user fee actually has that effect, so that while the government puts money into the taxpayers' pockets with its tax cut on one hand, the new and increased user fees take it out with the other hand. All of the user fees have that effect of gobbling up any benefit to a taxpayer that the tax cut might have brought about.

I don't think you're going to find very many seniors in the province of Ontario who think they are going to benefit from a tax cut, not when they find that they are facing that \$2 fee on prescription drugs which the government is introducing and not when they have to pay the increase in transit fares. That increase in transit fares is something that seniors are experiencing whether they



live here in Toronto or whether they live in my home community of Thunder Bay in northwestern Ontario. There's not a lot of money left in the pockets of seniors after the increased user fees hit.

I don't think you're going to find that students feel as though they have a lot of money left in their pockets when they face the \$400 on average more in tuition that they're going to face in colleges and universities this fall.

I don't think even middle-income people are going to feel they benefit very much when they get hit with a new fee and an increased user fee every time they turn around.

I understand why this government doesn't like to be confronted with the list we're keeping with the Mike Harris watch on user fees. They don't like to be confronted with the charge of picking people's pockets, because they really did want a lot of credit for putting money back in people's pockets. They didn't want anyone to really notice in how many ways, how many different places, that very money is being taken out again. But that is what's happening.

I think it is remarkable that the voters in York South last Thursday night understood exactly what this government was doing. They weren't fooled by this government's attempt to buy them with their own money. They realized that even as the government talked about its tax cut, boasted about its tax cut, spent thousands of dollars marketing the great benefits of the tax cut, this same government was taking that money right back out of their pockets, and they were cutting the health care and the education and the policing services in York South even as they boasted about the tax cut.

Some of this picking of the pockets of the Ontario citizen is happening very directly. These are user fees that the government itself is introducing or increasing in a whole host of areas. In our resolution, we documented the sheer number of ministries that are actually introducing new user fees or increasing their user fees.

Some specifics: In the Ministry of Consumer and Commercial Relations, the registration program has increased the marriage licence fee to \$75 and introduced a new fee of \$2 for staff-assisted searches of records. We have the Liquor Licence Board of Ontario standardizing special-occasion permit fees for receptions and fund-raiser community festivals at \$75.

We go to the Ministry of Economic Development, Trade and Tourism. There are going to be increased revenues of \$594,700 from increased fees at Huronia historical parks and Old Fort William, and increased revenues from fee increases at Ontario Place and the St Lawrence parks.

We have the Ministry of Education with licences for private vocational schools increasing by 4%.

We have the Ministry of Environment and Energy with a generator registration fee giving revenues of \$291,000 for registering and managing records of generators of liquid and hazardous waste. We have the waste manifest fee. We have the water well records fee.

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If we go to the Solicitor General, we have the Solicitor General implementing a pre-employment basic training program for correctional officers and introducing a fee for that for five weeks of basic training.

In every imaginable way, this government is looking for new sources of revenues to replace the \$5 billion in tax cuts that it is putting back in the pockets of the wealthiest people of this province.

There is going to be more to come, without any question at all. The list of fees that are being increased and the list of new fees that are being introduced are literally growing on a daily basis. While there is nothing in the business plan that the government tabled today about specific new fees that are about to come, we know for sure they are coming.

You have to wonder how it could be happening, because this is the same government led by the same Mike Harris who used to say a user fee is exactly the same as a tax. This was the tax-fighting government, the tax-fighting Premier. How could this tax-fighting government claim to cut taxes and actually be increasing them? How could they say they would bring in no new taxes, and yet they're bringing new ones in? The Premier said that a user fee was the same as a tax.

The government would like to simply ignore the fact that it's raising fees, that it's bringing in new fees and that Mike Harris used to say a user fee was the same as a tax. There are places where it was said so clearly. I think of the very clear statement that there would be no new user fees in health, and what did we see in Bill 26 but a new user fee in health, a user fee of the worst kind, a fee for prescription drugs for seniors and for the disabled in our province? There is only one conclusion anybody can come to: This government, which said it was going to lower taxes, not raise them, is raising them by any other name a lot faster than it is lowering them.

I recognize that only some of this pickpocketing activity that's going on is being done by the government directly; some of it is indirect. Some of the new fees, some of the increased fees are being put in place by other agencies, and in particular by municipalities. The government says: "We're not responsible for any of that. We're not the ones who are raising those fees. We're raising our own, no question about that, but these other fees that municipalities are raising, these property taxes that school boards are increasing, we're not responsible for those." Of course they are responsible, because they have encouraged these new and increased fees, and they have made these new and increased fees absolutely necessary because of the cuts they have imposed on their transfer partners.

I give you as an example colleges and universities, which have been cut by some \$400 million, and the government said: "Don't worry, colleges and universities, we're going to give you a means of recovering some of those revenues. We're going to give you permission to raise tuition fees for students in colleges and universities. You can raise them by 10%, and if you like, you can raise them by a further 10%." As a result, students in this province are facing tuition increases, on average, of \$400 next year. They made the increase in tuition fees necessary because of their cuts and then they encouraged them, gave them permission to recover some of those revenues by increasing user fees to the students of this province. Is this government not responsible for the fact that tuition fees are going up \$400 for students this fall?



We look at what they've done to municipal governments — cuts on average of 43% over two years, and then the government says: "We have nothing to do with the kinds of user fees that municipalities are being forced into. We have nothing to do with those increased property taxes." I wonder what the government really thought that municipalities and school boards were going to do when they were hit with cuts of this magnitude. School boards were faced, on average, with a cut of 9% in their grants from this government. The government said: "Don't worry, you can find all this in administrative savings. Don't worry, we're going to give you tools that you need to reduce administrative costs."

None of the tools that any school board would need to actually reduce costs have been provided by this government. In fact, this government is getting out of any kind of centralized support for boards of education in curriculum and in evaluation. All that this government has done is to give the boards tools for cutting programs like junior kindergarten, adult education and special education.

When boards and parents and communities say, "We don't accept those kinds of cuts in education. We want to keep junior kindergarten. We want to protect our special education. We want our adults to have training," when they say no to those kinds of so-called tools the government has given them, the only resource that the school board has is a tax increase. That's why many school boards are facing tax increases.

With municipalities, the government has given them a different approach, and I acknowledge that, because this is where the government said: "We know we're cutting you by a horrendous amount, 42% over two years. We know you can't cope with that, municipalities, so in our famous Bill 26 we will give you permission, we will give you encouragement, we will give you the legal right to bring in new user fees."

In fact, you may recall that when Bill 26 was first presented by this government, the sky was the limit for the municipalities. They could bring in new sales taxes. They could bring in increased gas taxes, their own gas tax. They could even put a head tax or a poll tax on every citizen within their community. All of that was going to be allowed under Bill 26 until the government finally realized that that indeed was what was likely to happen, because many municipalities were looking at doing exactly that: tolls on their roads, taxes on their gasoline. So they put some minor limitations on it, but they still gave municipalities the freedom to raise new taxes by another name, and indeed that's what we're seeing: 160 at last count, up now to over 300 user fees that are being introduced at a municipal level.

I don't think this government should be surprised, when it not only forced those municipalities into making these kinds of revenue increases but encouraged them, gave them permission, gave them the direction as to how they could do that. They shouldn't be surprised that municipalities are taking that route, and they certainly can't claim they aren't responsible for it.

I ask you, if the transit companies are raising fares, if they're eliminating discounts for seniors, is it because municipalities have less money to support public transport in their communities, and is a 42% cut to municipalities responsible for that? I suggest it is.

If the Toronto Transit Commission has to budget more for needed renovations because this government is not prepared to commit itself to 75% of the cost of renovations, which governments traditionally have done, is the government responsible for the increased fares for the TTC that result from the TTC having to pay its own renovation costs? I say again that of course this government is responsible.

In some cases government decisions are going to be responsible for new or increased user fees that the municipalities themselves have to pay. This is getting really indirect, and I think it's important to give a couple of examples.

Ministry of Environment and Energy labs: The regional laboratories, testing laboratories, of the Ministry of Environment and Energy are being shut down across this province. These are the same labs that do the weekly high-volume testing of water to make sure our communities have safe drinking water. The ministry is simply going to shut down that testing capacity.

You have to ask, who is going to do the testing of our water in communities? The municipalities already pay a fee for service. The private sector is clearly going to have to step in and do it. We can't let our water go untested, particularly not when there are very serious concerns about the quality of drinking water in at least 40 Ontario communities. So the private sector is going to have to somehow come in and do it.

What are they going to charge municipalities? Is this really going to be more efficient? Is it going to be more cost-efficient for municipalities? This government, with its so-called business plan, hasn't even addressed that question. All they've done is go out and cut the labs of the Ministry of Environment and Energy, shut them down, and they haven't even looked at who is going to provide the service or what it's going to cost or whether this is going to be one more offloading, downloading of costs on to municipalities.

The government hasn't looked at it because this government doesn't want to know, because if municipalities have to pay more to test their water, if the private sector provider isn't more cost-efficient and it actually costs more for that service, that's going to mean that down the road there's going to be an increase in the charge for water or an increase in the property tax for residents of that community. That's an increased user fee, a new user fee, directly related to a decision this government has made. But they want to make those decisions in isolation. They don't want to look at the impact down the road.

Now they're looking at shutting down public health laboratories. Again, they don't really say for sure in their business plan they're going to do it, but we know that the Minister of Health has said he's going to privatize a slew of public health labs. Who's asking the questions and who's providing the answers as to who is going to take over that service?

If the private sector is going to step in and do what the public health labs now do, what is it going to cost? Who's going to pay the cost? Are we going to see new user fees? Are we going to see user fees for AIDS testing, for example? Nobody is asking the questions in



the government. Nobody wants to know the answers. Nobody wants to look down the road at what it's going to cost the citizens of this province.

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That's the second kind of user fee that I want to touch on. It's the kind of user fee that not only picks your pocket by actually taking money out of your pocket, but the user fee that threatens basic values in our society. There is no question in my mind at all that access to health care, one of the most basic values we hold in this society, is threatened by the user fee introduced by Bill 26, prescription fees for drugs for seniors and the disabled.

There are many seniors who cannot afford this fee and there are certainly many psychiatric patients who will be on as many as 10 prescriptions that have to be replaced weekly who could be facing as much as \$40 a month. The advocates for the psychiatrically disabled in our communities tell us that if this prescription fee goes ahead, what will happen is that our psychiatric patients simply won't take their medication. Their health will be jeopardized and the safety of people in our communities indeed will be jeopardized if we can't provide adequate treatment for those who are psychiatrically disabled.

There is now a sort of threat from the Minister of Health that as he moves to this new system he has in mind, people may be asked to pay if they go and see a doctor who is not the designated doctor for that individual. I have to wonder what's going to happen in a small community if there are only one or two doctors there who are designated to provide all the medical care for people in that community and their waiting list is long and somebody would like to be able to jump the queue to get ahead of the waiting list.

Who's going to be able to jump the queue? Who's going to be able to get in faster? Who's going to be able to pay to go to a doctor who's not the designated doctor for the people in that community? I suggest to you that only those people who can afford it are going to be able to jump the queue. Welcome to two-tiered health care in the province of Ontario, where only the well-to-do can afford the user fees that let you access the best, and in some cases like seniors and the psychiatrically disabled, only the well-to-do can access care at all.

There's no question in my mind that access to quality education is threatened by the user fees that are proliferating in Mike Harris's Ontario, threatened by the 20% increase in tuition that students are facing this fall. Access to education, both post-secondary education and elementary and secondary education, is going to be threatened in the future if you're in a position where you just can't afford the new, expanded user fee for the private elementary or secondary school or the first-class private university that Mike Harris and his colleagues have in their vision of the new Ontario.

There's no question that those private sector institutions, whether it's elementary and secondary schools or universities or colleges, are going to have to provide something that's first-class, because that's what people who can afford to pay are looking for. If you can afford to pay, you will therefore be able to get the best in Mike Harris's Ontario, and there will certainly be much less

pressure on this government to provide anything more than mediocre for everybody else.

That's why user fees are wrong. It's not just because Mike Harris said a user fee is a tax by any other name and because there is a sheer hypocrisy in boasting about a tax cut that puts money in people's pockets when you know it's primarily the most well-to-do who are benefiting and the middle-class person or the senior or the student is actually going to have more money taken out of their pockets than they're ever going to have put in it; it's not just the hypocrisy of that, but user fees are wrong because only those who can afford to pay can get the service. That's the whole idea of a user fee.

In Mike Harris's Ontario there are actually going to be two Ontarios: one for those who can afford the fees and one for those who can't. Those who can't afford the fees may be unable to use the public library in the future, and we've found 24 communities that have introduced some form of new or increased library use fee. It may be that kids in the future, if they can't afford the fee, won't even be able to use the local playground. We certainly know they're not going to be able to visit very many parks or very many tourist attractions.

Even access to police and fire service, basic safety and security, is now being threatened by the advent of the new user fees. We see the pay-for-protection scheme in Ottawa, the forerunner of what police forces are going to have to look at as this government brings in more and more cuts and police forces are told they've got to find new ways to get revenues if they want to keep their police on our streets.

And firefighting: Anybody who was on the Bill 26 committee hearings will remember the concerns of firefighters, concerns presented by people like Jim Lee, president of the Ontario Professional Fire Fighters Association, or Bruce Carpenter, president of the Provincial Federation of Ontario Fire Fighters; concerns about what would happen if municipalities would start bringing in user fees for fire protection; concerns that people would try and put out a car fire if there was a user fee for calling the fire department to put out a car fire and you weren't a resident in that community; concerns that if the municipalities bring in user fees for false fire alarms, that there may be people, landlords, owners, who actually disconnect their systems in high-rise buildings so they don't have to pay large user fees for false alarms.

Those were fears — we didn't imagine these, we didn't invent them — that were presented as our firefighters looked at their concerns in Bill 26 and said to this government, "If you open the door for user fees in fire protection, we're afraid that the safety of citizens in our communities will be jeopardized." Those fears are now realized as municipality after municipality brings in exactly these types of fees.

Those are concerns about what's already happening. We have to be concerned about what's going to come next, because this government's agenda is clearly to privatize whatever they can privatize, and once they privatize a service or an asset they can no longer control the increase in fees. That's what privatization is all about.

I'm not going to get into Ontario Hydro today, I'm not going to get into what's happened to hydro rates in Great



Britain where there has been a recent privatization, but you can be sure that if Ontario Hydro was privatized the rate increases wouldn't just nickel-and-dime us to death in a pickpocketing kind of way, they would devastate our economy.

There are other areas where the government's plans to privatize are undoubtedly going to lead to fee increases in the future and this government will have absolutely no control over them.

I've mentioned health and environmental lab testing.

The government is not refusing to consider privatizing the LCBO even though it gets revenue from it. There's evidence from Alberta that the resulting cost to consumers is an increased cost.

Parks — as they privatize our parks, what's it going to cost us to use our parks? What will increased fees do to our tourism potential? What will the loss of tourism attractions that this government's going to turn over to the private sector do to our economy?

You wonder whether this government ever looks beyond its ideology to see the long-term impact of what it's doing. If it did, this government would surely realize that the decisions they are making here in Queen's Park are directly related to what's happening in our communities. They are responsible for what's happening in our communities. They would have to acknowledge that the money being taken out of people's pockets in new and increased user fees is a direct result of their cutbacks, whether they bring in the fee change directly or someone else brings it in because they've been forced to by the government's cuts.

They would have to recognize that the services people need will be inaccessible if fees continue to rise, and that the gap between the haves and the have-nots in this province will get greater and greater. They would have to concede that only the most well-to-do will benefit from the dollars put in their pockets through the tax cut, and as well, only the well-to-do can benefit because they can afford to pay, with the new user fees.

This government must understand what it is doing, it must take some responsibility for what it is doing, and that is why we have placed this resolution before the House today.

**The Acting Speaker (Mr Gilles E. Morin):** Pursuant to standing order 34(a), the member for London Centre has given notice of her dissatisfaction with the answer to her question given by the Minister of Community and Social Services concerning the NAN study with respect to social assistance rates, and this matter will be debated today at 6 pm.

**Mr Tony Silipo (Dovercourt):** I'm glad to have a chance to start off debate — the clock is the wrong one, but I'm sure that will be corrected. I'm happy to be able to lead off debate for our caucus on this resolution presented in the name of Mrs McLeod this afternoon, and to say that we, of course, in the New Democratic Party caucus will be supporting this resolution because it essentially calls the Mike Harris cuts, and the user fees that have come about as a result of those cuts, what they are, which is that they are wrong, that they are indeed inappropriate and that they are indeed another form of taxation.

1550

It wasn't that long ago when Mike Harris would, in talking about user fees, use words like, "They've taken to disguising their tax grabs as fees, hoping no one will notice, a trend the people of Ontario should be alarmed about." It also wasn't that long ago that Mike Harris would be talking, a lot more than he happens to be talking these days, about the fact that there's only one taxpayer out there.

So it comes as a bit of a surprise to us to see what Mike Harris and his government are doing, which is to have forgotten about the fact that there's only one taxpayer, to have forgotten about the fact that user fees are just taxes by another name, and to be continuing on a course of action that on the one hand has them trying to take the credit for reducing provincial income taxes, while at the same time they are directly and indirectly forcing upon the people of the province increased property taxes and increased user fees; in other words, a tax grab by another name, to paraphrase the now Premier.

That is what is most offensive about what we are seeing as the Mike Harris agenda unfolds, that in service after service — in education, both elementary and secondary education, in post-secondary education, in a variety of social services, in health care — we are seeing cuts to the tune of millions and millions of dollars all to pay for the tax cut, all to pay for the income tax cut Mike Harris wants to implement and be given credit for.

At the same time, we are seeing as a result of the funding cuts they are having to make to schools boards, to municipalities, colleges and universities to find the money to pay for those tax cuts, those bodies are having to turn around and increase taxes and fees to make up for a great part of those cuts. We are seeing increases in tuition fees for college and university students, we are seeing increases in property taxes or cuts in services, like junior kindergarten in the school board sector, and we are seeing increases in municipal property taxes or cuts in a variety of municipal services, again in order to make up for those cuts.

Gone is the concept of the one taxpayer. Gone is the concept that user fees by another name are just taxes. What is happening — and what I know it troubles the members opposite for us to continue to remind them of — is that what Mike Harris is doing is giving with one hand and taking away with the other. That's what we're seeing throughout the province.

This whole approach started, in effect, very soon after this government took over, with some of the most drastic cuts taking place as one of the first actions this government took. You recall the social assistance cuts: a 22% cut to the poorest citizens in the province, the citizens that need the support the most, the many citizens that have had to rely on social assistance through no fault of their own. The poorest citizens among us are being asked to take severe cuts, cuts that are severely hurting their ability to take care of themselves and their families, while at the same time families at the upper end of the income scale will be the ones, the only ones, who will benefit from the tax cut.

Of course we heard in the budget announced a few weeks ago the approach again taken by the Harris



government of saying, "At the end, when the tax cut is fully implemented, this is what you're going to see as a benefit." That may be in fact we ever see the implementation of the full tax cut. But the reality that isn't being focused upon enough now is the fact that what people will see when the tax cuts are implemented this year is but a small fraction of the benefit of that income tax cut, yet they're having to bear the full impact this first year of increases in property taxes or increases in other taxes that can only get worse.

If you look municipality by municipality, in instance after instance you will see that story unfold. As one example and one example only, in Metropolitan Toronto, a single mom with two children with an income of \$30,000 will get, as a result of the tax cut in 1996, a benefit of about \$45 for the whole year. That's about \$3.46 every two weeks. But what's going to happen on the other side of the equation is that that same family is going to have to pay almost \$30 more for property tax increases and is going to have to pay \$344 more for public transit fees. Again, those are taxes that have been increased as a result of cuts to those bodies brought about by the Mike Harris agenda. So what's that family going to be left with at the end of the day? Not a benefit, but that family is going to be out of pocket, is going to be worse off than they are today, by some \$328.

That's the Mike Harris revolution. That's what the Mike Harris revolution means for someone of very modest means. It's not until you get into the high-income brackets of some \$100,000 that you can count on seeing any benefit at all come out of that.

Of course all of this will do nothing to create the jobs, which is what this is all supposed to be about. The whole thrust behind the Common Sense Revolution, the Premier used to remind us — he doesn't do it quite as fervently these days — was to create the 725,000 jobs. You know what? Their own numbers in their own budget indicate they will get nowhere near those 725,000 jobs.

The people of the province have a right to ask themselves, "Then what is all this for?" If the provincial income tax cut simply means more increases in property taxes or user fees at the other end, if it means less in the way of services and education, in social services and health care than we have in this province today, what is the point? The only point is that the real revolution Mike Harris is interested in has nothing to do with reducing the deficit, has nothing to do with creating jobs; it has everything to do with shifting the power and the wealth of this province from all of us into the hands of a few. That's what it's all about, and that is what people in this province are beginning to see.

It's quite easy for us to look at this and say, "This is not something we want to support." But what I have just a bit of difficulty with is in looking at where this resolution is coming from. It wasn't that long ago that the member who has moved this resolution was speaking not that differently from how Mike Harris is speaking. It wasn't that long ago that members of the Liberal caucus would wave this document around very proudly.

Well, I don't see too many of these in the hands of the Liberal caucus members these days. It's becoming a collector's item. You have to go to the archives to find

one. I've managed to hold on to one and I'm not letting go, because it makes for some good reading. I know the members of the Conservative caucus carry one around because they like to compare quotes and see how close what they are doing is to some of the things the Liberals, during the election, said they would do.

Let's not forget, during the election it wasn't just Mike Harris who was talking about cutting public sector jobs; it was also the Liberals who said they would cut public sector jobs. It wasn't just the Tories who said they would cut taxes; it was also the Liberals who said they would cut taxes. It wasn't just Mike Harris who said, "We will miraculously do this without hurting basic services like health care and education"; it was also the Liberals who said they would miraculously do that without cutting health care and education.

You know what? Just as it's proving to be true that you can't cut the kind of dollars the Tories are cutting out of the system without hurting basic services like health care and education, just so it is not true, as the Liberals would have us believe, that they could have done it without affecting those basic services. We have in the Liberals, when you go back to the election, just a milder version of what the Mike Harris cuts would bring us today.

I pointed out earlier the one first big cut the Tories made in the area of social assistance. They brought about a decrease, as they like to call it, to 10% above the provincial average, which has turned out to be about a 22% cut. Interestingly enough, when you take a look at what the Liberals would have done, they would have cut down to a basic allowance that reflects the national average and is less than the current allowance. That sounds to me like it's actually less than what the Tories have done. In truth, because I want to be fair to my Liberal colleagues, they also would have topped that up with an additional allowance to take into account training etc, but they never did tell us what the basic bottom line would be.

**1600**

**Mr Chris Stockwell (Etobicoke West):** They are heartless.

**The Acting Speaker:** The member for Etobicoke West.

**Mr Silipo:** I think we have to take a look at this resolution with a big grain of salt. I would say this: I am happier about the kinds of words that are coming out of the Liberal caucus today than were coming out of them during the election, because I think they have finally realized that you don't deal with the problems in this province by cutting and slashing. It seems that we are, at least these days, hearing a little bit more from the Liberal caucus about in effect a saner approach to dealing with the economy.

So when the leader of the Liberal caucus says that the voters in York South weren't fooled by the Tory agenda, I would say to her that she's right. I agree with her on that point because I think one of the clear messages that came out of the York South by-election is the rejection of the Harris agenda.

But I would also say to my Liberal colleagues that the reason that happened and the reason particularly, I would



say, that the voters chose to elect the Liberal member there is because the Liberal member there happened to sound more and more like a New Democrat than certainly the Liberal caucus did when they ran around the province with this document.

**Ms Frances Lankin (Beaches-Woodbine):** He sure didn't run on the red book.

**Mr Silipo:** Exactly. In fact, again on the basic issue of social assistance, the Liberal member went out of his way to distance himself from the red book. I say that again not because I want to rub the red book in the face of the Liberals, but simply to show that they have shifted.

I'm happy that they've shifted, because where they are now is quite frankly where they should be if they believe in truth that dealing with the problems we have in this province really can only be done, yes, by tackling the deficit, but by tackling the deficit in a way that puts the focus on creating jobs, on creating wealth in this province and then using the tax system that we have, using the structures that we have, the powers that we have as a provincial government to ensure that wealth is appropriately and fairly distributed among our citizens, in a way that protects our basic services like health care and education.

So I'm much happier to see where the Liberals are today. It does beg a little bit of a question as to where they may be tomorrow, but we will wait and see. I'm sure that the members —

**Mr Stockwell:** They have no idea.

**Mr Silipo:** Maybe they don't have any idea, but at least they seem to know where they are today. We will see where they are tomorrow and we will watch with great interest to see where our Liberal colleagues end up, because they certainly have shown a great ability to move right across the political spectrum from right to left to centre and anywhere in between where it seems that the wind of the day may be blowing.

We will see. It will be a very interesting time.

**Mr Stockwell:** At least you're consistent.

**Mr Silipo:** The member for Etobicoke West says at least I'm consistent. Coming from him, that's some credit.

Let me just say this in conclusion, because I know there are other members of my caucus who want to speak to this resolution: We will support this resolution, because at the end of the day it calls on Mike Harris to realize that what he's doing is wrong, that you cannot heal the problems that we have in this province by taking with one hand, giving with the other and pretending that you're the good guys and that it's the municipalities, the school boards, the colleges and the universities that are doing your dirty work for you in terms of raising other forms of taxes, which is what user fees really are.

It's that realization that I know the members opposite don't like to be reminded of but that the people of this province, in my own riding of Dovercourt and right throughout the province, are realizing more and more. It's that realization that will come to haunt the members of the Tory caucus. It's that realization that will at the end of the day see this government thrown out of office. It's that realization that will bring about the real revolution that has to come about in this province, which is an

understanding that while we have economic problems, while we have fiscal problems, they cannot be resolved by this cut-and-slash approach that Mike Harris is perpetuating, and it certainly cannot be resolved by this notion that you could pretend to be the good guys by giving income tax cuts while you are forcing the other elected bodies to increase taxes as a result of your cuts to them. That is something that certainly I am seeing the public beginning to realize more and more, and that is something that I know quietly — because publicly they can't yet admit it — members of the Tory caucus are also beginning to realize.

**Mr John Hastings (Etobicoke-Rexdale):** I'm very happy to join in the opposition debate on this motion about user fees from the Leader of the Opposition and to look at some of the history involved from the previous two governments and how they utilized the whole concept of user fees, as if we were the first government to deal with user fees and the other two were completely sinless in this regard.

**Mr Bruce Crozier (Essex South):** You do admit they're a sin, then?

**Mr Hastings:** That is obviously not the record and the member for Essex South knows that, I think.

For 10 years we have had a situation in which all Ontarians had to look to one certainty, and that was higher taxes. Every year, every budget we had higher taxes. You would think, "They're increasing expenditures for good programs and they'll try to control expenditures." That's not the situation at all. The record clearly indicates the reverse reality. They used piles of money for some very questionable programs and now the piper has come home to roost. We're paying for it.

We need to make the linkage about the cruel cuts that this particular government is making, the heartless cuts. If the other two parties, when they were in government, had actually managed the store much more effectively and prudently, then there would be lots of money today for all the necessary and essential services, particularly with respect to education and health care.

On May 8, 1996, one day after our government's budget, Ontarians woke up with the reverse reality. Pleasantly, for once in their lives, they could say, "There have been tax reductions." Reductions, imagine.

**Mr Crozier:** Income taxes were reduced for five years, from 1989 to 1994.

**Mr Hastings:** Imagine reductions, contrary to what the member from Essex is saying.

**Mr Len Wood (Cochrane North):** But increased user fees.

**Mr Hastings:** The increased user fees are in effect one of the descriptions. Yes, they're increased user fees by the previous Liberal regime, and I'll get to that, in terms of the percentages, of the scope and the extent in which they're trying to confuse the listeners and the voters in this province that they never, ever used a user fee. Well, that's not the reality.

Getting back to the viewpoint that people actually woke up with a refreshing viewpoint that they had no tax increases, in fact this budget clearly shows 10 tax reductions. That is unique, the first time in 11 years. Everyone in Ontario is all too familiar with the legacy that the



Leader of the Opposition and the NDP left in terms of 65 tax increases. I know they don't like to be reminded, but the record shows it and it needs to be reconfirmed again and again.

The Harris government promised to lower Ontario taxes, and that's exactly what was accomplished in the May 7 budget. We've kept our promise. Our government cut taxes to ease the burden on Ontario taxpayers. We reduced taxes because it's good for Ontario. We didn't just reduce personal income taxes; our government lowered a total of 10 different taxes. These reductions are an important part of the government's economic program to restore growth, hope and opportunity and to get the jobs machine going that the members opposite so recently used to refrain about — but we haven't heard from them lately about — “Where are the jobs?”

**Mr Crozier:** Where are the jobs?

**Mr Hastings:** It's not hard to look if you look around and see what's happening out there, particularly in the auto parts sector as one example. Another example was when the finance minister introduced the exemption for the provincial sales tax on call centres, what's happened there. Three hundred jobs in the last month, and we haven't even got to June 7 yet. However, that's good news the members of the opposition don't want to hear about in any regard.

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But there is much more to this government's budget than 10 different tax cuts. There was a commitment from this government to the people of the province that will put money back into the areas of health care, child care and education. The May 7 budget clearly demonstrated that in terms of the support available for child care, with an additional \$200 million over the next five years.

I'm also proud to be part of a government that doesn't just talk about the importance of day care. We acted. We've kept our promises, and the budget clearly shows that with a total of \$600 million for child care, the highest in Ontario's history in this particular sector.

The Premier and the finance minister have said time and again that this government would maintain the \$17.4-billion spending envelope for health care. In spite of the federal government's reductions in transfers which will amount to at least \$1.2 billion for the coming fiscal year, the Harris government is exceeding its commitment by placing an additional \$300 million into the operating budget of the health ministry for a total of \$17.7 billion. With that additional money, we can provide funding for 23 new MRI machines across the province to expand our government's program in aiding the early detection and treatment of breast cancer, which affects more than 6,000 women in this province annually.

We have also invested \$25 million to help hospitals serve areas of high population growth and reinvested another \$170 million this year into seniors and people with disabilities for care at home instead of an institution. This means an additional 80,000 people will receive services such as in-home nursing care, and that is expected to create nearly 4,400 new jobs in the health care field — new jobs.

In education, we've introduced the cooperative education tax credit to businesses and corporations to ensure

that students have an enhanced opportunity while attending university or college. The tax credit of up to \$1,000 per co-op placement will be effective September 1, 1996, and provide businesses with a tax saving equal to approximately 10% of the cost of hiring a student participating in a recognized co-op program. In that regard, I've had teachers in my own community, particularly Cherry Yamamura, feel that investment in a program such as this is an important first step for preparing adult students for jobs.

In addition to the tax credit, we want to encourage companies and individuals to contribute to funds for Ontario students through an Ontario student opportunity trust fund. Every college and university will have the opportunity to establish a fund and the province will match contributions made after budget day and before March 31, 1997. Moneys from each fund will be used to assist academically qualified people who, for financial reasons, would not otherwise be able to attend an institution of advanced post-secondary education.

The tax cuts we've outlined in the budget are fair to Ontario taxpayers. We've often heard that this is designed for and targeted to the wealthy. If you look at the definition by the opposition parties of what constitutes “wealthy,” that would be anybody who earns \$53,000 and change; they're wealthy. But if you look at the real stats, it clearly shows we're going to have a broader impact in terms of the tax reductions, particularly personal income tax, for Ontario citizens. In fact, in Ontario about 90% of the people earn less than \$68,000 a year. Our government's tax cuts will benefit everyone because the economy benefits.

I look forward to the press conference the Liberals and the NDP will host on this subject when each and every one of the members holds up their income tax — and I'm sure we're going to see a lot of that — where they've designated that they won't accept the tax decrease and it'll go either towards deficit reduction or to specific charities perhaps in their own ridings. I'm sure when push comes to shove, most of them will grab the tax cuts and keep them.

**Mr Crozier:** Like the Tories will.

**Mr Hastings:** Yes. We're going to keep them because we believe in them. You publicly criticize them and then turn around and will probably assist in using them personally — a major double standard, I would say. They just don't understand, we just can't seem to get through to them — you have a mantra over there, I guess, as we're commonly accused of — that tax cuts really do mean jobs in this province. Every dollar that stays in the pockets of Ontarians — imagine — will help consumer and investor confidence. Taxpayers can spend a dollar more wisely and effectively than a bureaucrat or a politico, who think they know better how to spend the dollars than the person who earned them.

A lot of people think Ontarians will spend the money. I've heard the criticism that they're going to use the money for debt reduction, as if that were a criminal activity. Debt reduction means that later on they'll have the money and the opportunity to spend it on a particular consumer item they may want. And imagine, the other thing is that they may actually save some money. That's



one of the problems in this economy. We do not have an adequate savings rate like we used to have in this country, as high as 15% if you look at the statistics of a decade ago.

The Leader of the Opposition claims that the reduction in transfer payments will force increases in property taxes. It's too bad the Leader of the Opposition hadn't spent a few years in local government, because she probably would have a much more fundamental understanding of what constitutes the real necessity to save at the local level.

**Mr James J. Bradley (St Catharines):** She has been 18 years in local government.

**Mr Hastings:** Well, the school boards aren't a particularly great model for saving moneys, although some of them have started to make some real attempts at that.

I would like to remind the Leader of the Opposition that this government asked municipalities to reduce their expenditures by only 4% of their operating costs. This should not necessitate large user fees or property tax increases, and when it does, in my estimation, I think you will find there hasn't been a lot of imaginative or innovative management from the senior bureaucrats or the members of those particular councils. They automatically reach for the tax increase from the shelf as an antidote to the problem every time; you can find that pattern in some municipalities in this province.

While most municipalities are still finalizing their budgets for 1996, many have completed their budgets and have held their mill rate increases to zero or even slightly decreased their mill rate. You'll never hear that from members opposite. Some of those municipalities are Halton, Ottawa, Markham, Richmond Hill, Guelph, Peel, Muskoka, Mississauga, Hamilton, Brampton and Etobicoke. They all had a zero tax increase in their mill rates. I'd say that's effective municipal leadership and management. The county of Kent had a slight decrease, the town of Forest had a slight decrease and — this one I find particularly interesting — the town of Southampton had a 2% decrease.

When the Liberals and the NDP talk about municipal user fees or property tax increases, they must be having flashbacks from their time in government. Let's look at the record. During the Liberal years in office, from 1985 to 1990, 88% of all municipalities in this province increased their municipal user fee revenue — increased it. Over half the municipalities in Ontario increased their user fees by approximately 50% or more, and one quarter of the municipalities increased their user fees by over 100%. When they talk about this government exhorting municipalities to use user fees as the easy way out, certainly they need to go back and look at their own record. Fourteen municipalities in Ontario increased their revenues from user fees by an astounding 1,000% — not bad if you were looking at it from a Liberal viewpoint.

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In the area of property taxes, the Liberals allowed local property taxes to skyrocket during their time in office. Just look at the municipalities that have not been reassessed since 1985: 231 had mill increases of 40%-plus or more in those five wonderful years we lived through. From 1985 to 1990, Lakefield had an 82%

increase in its mill rate; Etobicoke 43%, for the member for St Catharines; Port Hope, 68%; North York, 41% —

**Mr Bradley:** Were you on council then?

**Mr Hastings:** Yes, for two years I was. Toronto, 39%; Oshawa, 67%; Mattawa township, 159%, where the member is most concerned about the buses.

The Leader of the Opposition claims that reductions to school boards will also result in user fees. Our government reduced school board expenditures by less than 2% of their total operating costs. Examples of boards that have managed to work in that time frame: Timmins and Lakehead district Roman Catholic school boards, Muskoka, Nipigon, Ottawa and Timmins boards of education have managed to cope with reductions in their education grants without increasing property taxes and without laying off teachers. Each and every one of them also retained junior kindergarten. Those are what I'd call organizations that have truly tried to deal with the fiscal crisis that you folks left for us to deal with.

Checking the Liberal record again, the previous Liberal government allowed local tax increases in education to skyrocket during their time in office. From 1985 to 1990, Oshawa had a 76% increase in its education mill rate, and other municipalities — one of them, Harley township, had an increase of 157.2%.

One reason those increases occurred is that the government of that day allowed for the land speculation tax to come into operation, a marvellous intrusion into local government.

Now that the Liberal government is read into the record, doesn't it seem a little hypocritical that the opposition leader today would present a resolution on user fees and accuse this government of implementing them?

**The Acting Speaker:** You used that word, and I would ask you to withdraw it.

**Mr Hastings:** I'm not quite clear what —

**The Acting Speaker:** You used the word "hypocritical," accused the leader of being hypocritical. That's what you said.

**Mr Hastings:** "Unbelievable," I'll insert. It's unbelievable that the opposition leader would introduce this resolution and then turn around and say the Liberal user fee history lesson she's completely forgotten about. We can also mention that the newer government had a good record of user fee increases which they talk about.

When you have increased user fees, increased taxes, the Canadian Tax Foundation, if anybody looks at economic models, clearly shows that in basic economics, increased taxes equal decreased production, which equals decreased sales. That means that people have less money in their pockets to consume, spend or save, to make mature, logical, consumer decisions, because they're always paying more.

Therefore tax cuts, in my estimation, and overspending, getting that under control, are really strong, vigorous ingredients for creating better and effective economic growth. If you look at the history of jurisdictions which continuously opt for higher and higher tax increases, you end up with a stagnant economy. There's a very strong correlation between those two.

It's time for us, and we have done it, to reduce taxes, to create an economic growth climate, which Ontario has



not had for many years. I put that in the context of a growing competitive economy, the biggest one being Michigan. I know a lot of our members opposite hate to bring up American examples, but the member for Oriole did in her health debate not long ago, so I see no reason, if she can do that, we can't look at other examples of growth economies nearby. Particularly, Michigan is an example of how lower taxes, lower unemployment and an increasing economic growth rate have led to more and more jobs. That's what we have to do to have a competitive economy at this time in our economic history.

**Mr Rick Bartolucci (Sudbury):** It's always nice to follow the member for Etobicoke-Rexdale, because it gives us an opportunity to correct the record. Let me start off by saying that we love using American models. For example, today Bruce Crozier, the member for Essex South, used a model with regard to the firm from Alabama collecting debts, but Mr Johnson, the Management Board chair, wasn't about to or willing to answer the question but would check it out.

There are all kinds of opportunities on this side of the House where we present you with questions with regard to your American model and there are no ministers willing to answer our questions. I want to correct the record for the member for Etobicoke-Rexdale. We're more than happy to use American examples that the government is using; they just don't want to provide the people of Ontario with the answers that we all know are fact.

We talk about budgets and tax increases. On May 9 in Hansard, in response to a question, "Do you still deny that the tax cut in the budget will cost more and more people municipal tax increases and user fees at the local level and that they are directly related to one another?" the Minister of Municipal Affairs and Housing said, "Municipal tax increases this year are probably lower than in any year in the last decade...Mississauga is zero, Scarborough is zero, Sudbury region is zero" etc.

Let me clarify the record again. In 1994 in the region of Sudbury there was a 0.07% decrease in regional municipal taxes; in 1995 there was a 0.14% decrease in regional taxes; and in 1996, the first year this government can take credit for instituting its reductions which caused this tax relief, municipal taxes for the region of Sudbury increased by 3.5%. My point is quite simple: Taxes increased because of the Conservative agenda, because of the Common Sense Revolution agenda, because the Common Sense Revolution doesn't make perfect sense.

Let's talk a little bit about what happens at the local level. We've heard from the members of the two opposition parties that clearly you can't do what they're doing without having an impact at the local level. I want to tell you that of the school boards in Sudbury, the Sudbury Board of Education had to increase taxes by 5.9% and the Sudbury District Roman Catholic Separate School Board had to increase taxes by 5.9%.

The city of Sudbury, with its mayor, Jim Gordon, a former Tory cabinet minister, and members of council worked very hard at ensuring that they wouldn't have to increase taxes, because for six years in a row they've worked extremely hard at being very fiscally responsible so that they can deliver a zero tax increase. They tried

everything, but for the first time in the history of Sudbury they introduced the User Fees Manual. Now every councillor from the city of Sudbury has a User Fees Manual. It's the city of Sudbury's User Fees Manual. I'm a former alderman of the city of Sudbury, and when I first saw this I was saying: "Jeez, we never had this before. We never had this when we had a Liberal government in Toronto. We never had this when we had an NDP government in Toronto. Why do we have this now?" The city clerk said, "Open to page 2 and you'll see why."

**1630**

In 1995 the province of Ontario's fiscal and economic statement reduced major funding transfers to municipalities by 50% over two years. We can't cope with that reduction without doing something. We either have to increase taxes or, as Mike Harris said in April 1994, we have to have a fee hike, because that's the same as a tax hike. Mike Harris is saying a fee hike is the same as a tax hike. If this is true, then this in fact becomes a tax hike book.

Let me talk about a few of the tax hikes in user fees that we're going to have in the city of Sudbury thanks to the provincial government; not thanks to the hardworking mayor and the hardworking councillors of the city of Sudbury, because they had no choice. They spent many, many hours trying to minimize the impact on the people of Sudbury, but they couldn't do it without increasing user fees and making sure that the Mike Harris agenda of having Ontario be the home of the user fee comes to reality.

If we look at section (a) of bylaw 96-100 in the administrative section we find out that from now on, for proof of school support, you're going to have to pay \$5. If you're going to apply for direction of school support, you're going to have to pay \$5. If you ever want the city council agenda and minutes for a year, you're going to have to pay \$270.64. If you want a letter of approval for a tag day, you're going to have to pay \$25, a new user fee.

If you want the publication lottery licensing bylaw, you're going to have to pay \$5.75, and we know that's going to be a hot item with this government. If you need proof of residency to ensure that you're in Ontario and not in New Jersey or not in Michigan or not in Alabama, you're going to have to pay \$5. If you want an application for a special-occasion permit, you're going to have to pay \$25. If you want complete election results next time to ensure that you're right that the provincial Progressive Conservatives lost the election, you're going to have to pay \$11.50.

**Mr Crozier:** That's worth it.

**Mr Bartolucci:** I would suggest that's probably going to be, as my fellow colleague said, the best investment anybody in Ontario could make.

For example, if you want to make a photocopy of those election results and you want them done at the city of Sudbury, if the paper is 11½ by 14, you're going to have to pay \$1.15; if it's 11 by 17, you're going to have to pay \$2.30. That really doesn't make a difference, because as long as the message gets out, whether it be on a small piece of paper, regular size or big paper, that the Tories lost the next election, it'll be worth the investment.



**Mr Hastings:** That's fantasy.

**Mr Bartolucci:** You think it's fantasy. We'll go to fantasy in a second.

If under the administrative section you want to find out if there are certified true copies of the documents, you're going to have to pay an increase of \$5. If, and I know the member for St Catharines will be happy with this, you have to do an environmental search in the city of Sudbury, from now on, after the Minister of Environment and Energy destroyed environmental protection in the city and in the region in the province of Ontario, you're going to have to pay \$50. You know what? If you want letters of tolerance, as opposed to intolerance, you're going to have to pay a new fee of \$75.

If you go to the very back page — I'm running out of time — you'll find there are checklists now for the councillors in the city to ensure that the user fee they're imposing fits the government's criteria for establishing user fees. There are, all together, 18 points you should check before including a fee as a user fee in the city of Sudbury — unheard of, never been done before, but thanks to this government, it's now mandatory.

In conclusion and in summation, I just want to say that I am really very much impressed with the resolution today. It makes an abundant amount of perfect sense because it tells the people of Ontario that the reason for increased user fees and the reason for new user fees isn't the fault of school boards, it isn't the fault of city or regional governments, it isn't the fault of police services boards or fire services boards. It's clearly the fault of the provincial government so it can provide a tax break to those people who need it the least: the wealthy of this province.

**Mr Len Wood:** It's a pleasure for me to address the resolution brought forward on the official opposition day by the Liberal leader.

We've witnessed the first Conservative budget in a decade, and despite the rhetoric most people are going to be worse off. It's particularly true in northern Ontario. We're going to be a lot worse off as a result of the budget brought forward than before the budget was introduced.

The government's tax break is billed as a magic bullet for our economy. We're told it will create thousands of jobs and mean instant prosperity for all. Last week, during constituency week, we were listening to the people there, and they don't believe that.

The numbers are clearly showing something else. It is clear that any tax break is going to be eaten up by new user fees, higher municipal taxes and other costs as a direct result of billions of dollars in cuts that your government has already made.

In Kapuskasing, for example, the taxes will be raised by 2.6% — it's not the fault of the municipal leaders in Kapuskasing; they have no choice because of Mike Harris's reduction in transfers to the municipalities — with the major part of these allocations going to roads and recreation. Local taxpayers will be covering the cost of road construction now that provincial funding is no longer available. We hear that our friend Al is out filling up potholes on the 400, but I doubt we're going to see him on construction crews filling up potholes in northern

Ontario — at least I don't believe he's going to be up in Cochrane North helping to repair the roads.

In the town of Cochrane, for example, \$180,000 was chopped from the municipality's provincial transfer payments and they were forced to look for other ways to raise money. They took the route that they were not going to increase taxes, but they used the other method that has been pointed out by the Liberals speaking today as well as my colleague from Dovercourt: They're increasing user fees by 16%.

In Hearst, another town I'm very proud of — 90% of the population there is French-speaking — municipal taxes will increase by 2.5% and user fees are going to be increased in order to preserve services and reduce operating costs. The average in-town and Mattice separate school board supporter will be paying close to \$8.50 and \$11 more this year, respectively.

In December 1995 the Solicitor General and Minister of Correctional Services announced that a review of the structure and financing of police services in this province would be undertaken, and recently there have been reports that municipalities could be faced with a \$250-per-household charge to cover the service of the Ontario Provincial Police in our area. If this is implemented, this will affect all the municipalities within Cochrane North. The only one that used to have its own police service was Kapuskasing, and now it is paying somewhere around \$800,000 or \$1 million a year for OPP services; for the other communities, it was agreed by previous Conservative governments that they wouldn't be charged for it. Now we're talking about close to \$250 that could be added on.

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Reducing transfer payments and increasing taxes and user fees locally to help pay for a tax break doesn't make any sense when all the funds come out of the same pocketbook, that of the taxpayer — and there only is one taxpayer.

The Conservative government has taken \$432 million out of elementary and secondary school funding. Now they're putting back approximately \$20 million to buy a few computers, and this is Tory language for "fundamental reform in education finance." Two school boards in my area will benefit from this reform in education finance, but we have a cut of \$875,000 in provincial education grants, which means the Hearst District Roman Catholic Separate School Board will see a reduction of 17 support staff positions and 13 employees will be laid off at the end of the school year, and Kapuskasing-Smooth Rock Falls and District Board of Education will have to eliminate more than seven positions this year in order to avoid a tax increase.

If your tax break is considered to be the magic bullet for our economy, then the bullet, as far as I'm concerned, shot a big hole in the economy, especially in Cochrane North. On May 16 the government announced it would be laying off 900 staff in the Ministry of Natural Resources. When we raised the question with the Minister of Natural Resources, who's also the Minister of Northern Development and Mines, his sarcastic remark was: "We're doing a favour to northern Ontario. We're only going to be cutting 45% of the staff in northern Ontario and the other 55% is going to be done in southern Ontario."



What he doesn't understand is that northern Ontario, even though it has 80% or 85% of the land mass, only has 10% of the population, so a 45% cut in jobs there means that local municipalities and whatever are going to lose some of their tax base. People are going to have to sell their homes, and if they can't sell them, they'll have to board them up and try to find work in other communities. As I pointed out, we're struggling, as most of the layoffs will be taking place in northern Ontario — 41 jobs within Cochrane North. Cochrane will lose 22 jobs just with the MNR cuts, Hearst eight, and Kapuskasing 11.

This year, from what I can understand, the taxpayer in this province will get a tax break of about \$100, which we are to put back into the economy by purchasing items we want or need, thus creating jobs. With the job loss that's created in the north by this government, some northerners unfortunately will be spending more than the \$100 tax break this year on basic necessities, like food for their tables normally paid for by us as employed, hardworking and productive members of society.

This particular resolution deals with the new user fees and the increase in user fees. We see all kinds of examples. The Ministry of Environment and Energy is going to charge new user fees, and if you add them all up, you're talking about \$1 million. Management Board is going to have user fees for documents. The Solicitor General and corrections is going to have user fees. Consumer and commercial relations is going to have user fees. If you add up all these user fees of the Conservative government of the day, they've picked the pockets of the people in the province by close to \$13 million. When they say they're giving a tax break or a tax cut effective July 1, what they've done is taken out of one pocket in user fees, and what people thought was going to be put back into the other pocket is going to be used up, so there is no benefit in what the budget came down with. People are worse off now than they were before the budget.

During the election campaign in my riding of Cochrane North, I campaigned vigorously and was successful in getting elected. But the feeling that I had was that there wasn't very much difference between the Conservative candidate and the Liberal candidate, because they were both campaigning that we're going to have to get rid of, the Conservative candidate was saying, 12,000 or 13,000 — I believe it was 13,500 — jobs in the bureaucracy and the Liberal was saying they're going to get rid of 12,000. The Conservatives were saying they were going to reduce taxes by 30% and the Liberals were saying they were going to reduce taxes by 5%. So there wasn't very much difference between what the Liberals were saying during the last campaign and what the Conservatives were saying. As a result, as I said before, I appreciate my constituents in Cochrane North for having me elected here.

The 30% tax cut that is being brought forward has to be linked to the number of jobs that are being slashed and cut and eliminated in Ontario. As I said before, all of the small communities that I represent — Kapuskasing is the largest community. The town of Cochrane is going to be completely devastated.

I'm pleased the Minister of Transportation is here today to listen to some of the comments, because after we have the minister of northern destruction go in and lay off a massive number of people throughout the riding, now we find out from documents that the Minister of Transportation has been circulating around that he's going to take the axe to all of the communities that are west of North Bay and eliminate large numbers of jobs there. It's just unreal, the amount of devastation that is being brought forward.

Then we find out that there's a tax grab. When Mike Harris was campaigning, he was saying that there was only one taxpayer in the province. Whether it's an increase in taxes, whether it's a user fee, it's a tax in any other way. Now we find out that they're bringing forth the user fees.

The economic plan that the Tories would like us to believe in their Common Sense Revolution and leading up to the budget, that they're going to create jobs in Ontario, we know that it's not going to happen. We have unemployment in Ontario at 9%; it's close to 12% in northern Ontario. There's no way that they're going to be able to create the jobs that they said they were going to during the election campaign.

It might be nice to say in Cochrane North, for example, they're going to lay off 150 or 200 government employees and privatize the work that they're doing and contract it out at half of the wages that they're being paid now, but that's not new jobs that are being created. It just means that they're shifting that from people who are making \$18, \$20 or \$22 an hour on to other people and they're going to be paying them \$8, \$10, or \$12 an hour, and the new people they're going to hire through contracting out are going to have to start absorbing the user fees that they're bringing in.

I consider Bill 26 to be part of the budget process. Whether it was the announcements that were made last July, the announcements that were made in September and again in April leading up to the budget, Bill 26 is one of the bills that introduced new user fees for seniors and social assistance recipients for drugs. That's nothing more than a tax grab on the sick and on poor people. Bill 26 also gave the municipalities the ability to charge new fees and new taxes. As the Conservative government in Ontario today reduces the amount of money and transfers that they're doing for education, health care, and to municipalities, it's being replaced by user fees.

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I know my colleague Tony Silipo earlier used examples of how people in four or five different cities and communities around Ontario are going to be a lot worse off now as a result of the budget with the increase in user fees.

We have an example in Sudbury. A couple with two children making \$25,000, after the tax cut is worked into what — with the new fees and everything, they're going to have a decrease of \$205, even with the famous tax cut that we hear Ernie Eves talk about.

A single person in London is going to be a lot worse off with the new user fees in the budget. He's going to be out of pocket by \$62.74 if you consider everything in.

It's scary to think that in addition to what the Conservative government here today is bringing in new user fees



on, any service that we as members of society require, they're also forcing the municipalities, the school boards and all of their transfer partners to increase their taxes or increase user fees. As a result, I spent last week, constituency week, and some of the things that constituents are saying, there's a lot of unkind words that are being said against not necessarily you, Mr Speaker, but against the Premier and the cabinet that is forcing the drastic changes on to people in northern Ontario.

We know that since the Conservative government got elected, they've created a lot of violence in this province as well. They had the poverty group beaten up on the front steps. We had the riot squad breaking open the group on strike so that they could bring in a few cabinet ministers to the Legislature. It's been violence one after the other. That's in addition to all the taxes and increases, the deterioration in the education system, the deterioration in the health care system for northern Ontario.

The roads have been abandoned in northern Ontario. This morning, we're still getting our last snowstorm. People woke up this morning at 7 o'clock. The grass around the house was green. People are fearful next winter they will not be able to afford the user fees that are going to be imposed and it's going to be a tragic situation.

I know some of the members on the other side don't like to hear the truth being spoken, but all I would say is that for what the Conservative government is doing they're very unpopular in northern Ontario. I was in North Bay, and even the Premier is getting to be more and more unpopular all the time in his home town of North Bay.

I would hope that the Tory backbenchers would listen to what is going on around the province and speak up in their caucus and give the message very clearly that people are going to be worse off, and are worse off now, as a result of the budget and the user fees that are being imposed than what they were before the budget was introduced.

With that, I'd like to save some time for my other colleagues.

**Mrs Lillian Ross (Hamilton West):** I'll make my comments brief because I know some of my other colleagues want to speak on this motion, take part in the debate.

When we were elected almost a year ago, we were very clear with our plans for taxation. We said that the rates would come down. This should have been no surprise to anyone since we had campaigned on reduced taxes for over a year. With 65 tax increases brought about by the former Liberal and NDP governments, the people of Ontario had literally hit the taxation wall. Steps had to be taken to give taxpayers in Ontario a break and to make Ontario competitive again. By cutting taxes and doing better with less, we believe that investment will come back to Ontario and jobs will follow, giving Ontarians across this province real hope with increased growth and prosperity.

We were elected to bring fiscal sanity back to government. The results of the last election were very clear. People told us they were overtaxed. They were sick of government getting in their way. It seemed that whenever

you could get ahead, the government would just jump in and penalize your success with yet another tax. Well, this government is determined to reward success, not to penalize it.

Already we are starting to see the dividends of our actions. There have been almost 130,000 people drop off the provincial welfare rolls. In February alone, the economy created 70,000 new jobs. Our deficit target last fiscal year was met and surpassed. At the same time, we have been able to reinvest in areas that Ontarians think are necessary. This year our government will spend \$17.7 billion on health care. We will spend more on day care than any government in Ontario's history. We can do this because we are spending more wisely.

However, as we at the provincial level restructure and reorganize, it is very clear that municipal governments need to restructure as well. In Hamilton-Wentworth, the constituent assembly on municipal restructuring has just reported its findings and has recommended sweeping changes to the way in which services should be delivered in the region. The status quo is unacceptable. Two-tier government is costly and unaffordable. Like us, municipalities realize we must all live within the economic realities we are faced with. Like us, they will have to do better with less.

The opposition would like everyone to believe that our spending reductions were done solely to finance this big tax giveaway. Nothing could be further from the truth. Government overspending had to be curtailed. Previous government spending created huge deficits and debt, with interest payments of \$1 million an hour more than we took in in revenue. That rate of spending was totally irresponsible and absolutely unsustainable.

However, reduced government spending does not automatically translate into new user fees. Municipalities realize that they become part of the solution and must look at better ways or alternative sources of supplying services to their taxpayers.

Mr Speaker, I'm very proud to be a member from Hamilton-Wentworth and to tell you that its municipal politicians have been very proactive in trying to restructure and find alternative delivery sources. One only needs to look at three major partnerships with the private sector: Phillips Environmental for waste water management, Laidlaw for landfill sites, and present ongoing negotiations involving the privatization of Hamilton airport. These actions were all taken because Hamilton-Wentworth wants to provide their taxpayers with the best value for their tax dollars.

Decisions facing municipalities cannot be trivialized, but in Hamilton-Wentworth user fees have been commonplace for years. As a matter of fact, the honourable member for Hamilton East in the Liberal caucus and the member for Hamilton Centre in the NDP caucus have voted for user fees when they were elected officials at the municipal level.

Let me give you an example. Every time you step on the HSR bus to take a ride, you pay a user fee. Every time you use the community centres, you pay a recreational fee or a user fee. Every time you turn on your tap, you pay a water fee or a user fee. But municipal politicians, those closest to the heartbeat of what goes on in



municipalities, know that large numbers of user fees will not be tolerated, just as massive new tax increases would not be tolerated. Like us, municipalities will need to do just as we are doing; that is, doing better with less.

The proof is in the pudding. Tax cuts do indeed stimulate economic growth. Just as an example, in the state of Michigan, Governor John Engler has cut taxes 21 times. Michigan now boasts one of the lowest unemployment rates in the United States, a budget surplus and a booming economy. I don't think it's just a coincidence. Lower tax rates attract investment and jobs.

1700

The opposition believes that tax cuts benefit only the rich and result in user fees. The personal income tax cut put forward by this government benefits the broad middle class, because that's where the bulk of income tax revenues comes from. In fact 64% of the benefits from a tax cut go to the people earning between \$25,000 and \$75,000. Higher-income earners, those above \$52,000, will see their tax cut reduced by the progressive Fair Share health care levy. Tax reduction initiatives have been taken in other provinces, Saskatchewan, Nova Scotia and BC, so they are not new.

This motion put forward by the leader of the official opposition seems to ring hollow in the light of the evidence of how tax cuts worked in other jurisdictions. The opposition refuses to accept the fact that tax cuts can create jobs, even though there's plenty of evidence to back that fact up. For that reason, I obviously am voting against this opposition motion, and I urge everyone else to do so.

**Mr Dominic Agostino (Hamilton East):** I'm pleased to follow my colleague from Hamilton West. I always find it interesting that the Tories feel that the years 1985 to 1995 are fair ball, but their 42 years of governing before that, particularly the years that Mike Harris was in the House, somehow have disappeared from the surface of the record in this province. I just want to remind the great Taxfighter across the floor once again that from 1981 to 1984, Mike Harris supported 16 tax increases equalling \$1.823 billion. The great Taxfighter, as he likes to call himself, supported tax increases in income tax, OHIP premiums, beer taxes, fuel taxes, tobacco taxes, retail sales, corporate income tax, social service maintenance tax and a surcharge on personal income tax. This is the great Taxfighter of today. My colleagues across the floor keep referring to Liberal and NDP times. I would ask you to go back and look at your own record, your record of failure when you were in government, particularly those years that your Premier was part of that government.

But to get back to the question at hand today and the issue of the user fees as they apply across Ontario, there's not a lot of things I agree with the Premier on, but there are two quotes particularly in which I think the Premier is dead-on, two things the Premier said when he was in opposition. One was made to the Windsor Star on April 26, 1994, when Mike Harris said, "A fee hike is the same as a tax hike." In the Common Sense Revolution, here we go, May 3, 1994: "Under this plan, there will be no new user fees." They're not my quotes. That's Mike Harris then, and I guess a different Mike Harris now.

When one looks at what has happened in the few months this government has been in power — increased user fees in Citizenship, Culture and Recreation; Consumer and Commercial Relations; Economic Development, Trade and Tourism; Education and Training; Environment and Energy; Management Board Secretariat; Municipal Affairs and Housing; Natural Resources; and the Solicitor General — when you look at those ministries, those are your own. Those are not municipalities increasing user fees. Those are new or increased fees by your government.

Therefore, I would suggest that when the Premier said, "Under this plan, there will be no new user fees," the Premier is wrong and the Premier's words obviously don't hold up to the truth and reality of what's happening today. Or when the Premier said, "A fee hike is the same as a tax hike," when you look at the fee increases in the various ministries, I presume the Premier and this government are now acknowledging the fact that they have raised taxes across Ontario.

The member for Hamilton West spoke of the great record and the great work in Hamilton-Wentworth, and I agree; I don't think we need to take any lessons from this provincial government. I remind the members that there were substantial increases in Hamilton-Wentworth, and every single one of those user fee increases and new user fees this year were supported by her husband, a regional councillor and card-carrying Tory.

When we look at Hamilton-Wentworth, as a result of government cutbacks the citizens of Hamilton will have to pay an additional \$1 million in direct user fees for recreation, swimming pools and other services; Hamilton-Wentworth, \$1.07 million in new user fees at the regional level; \$5.1 million in water and sewer increases for Hamilton-Wentworth. If you have a son or daughter going to McMaster University, as a result of the cutbacks McMaster will have to take in additional \$6 million next year in increased tuition fees, and Mohawk College another \$2.9 million. There will be increased fees for the Hamilton street railway and the DARTS disabled system. Day care: increased fees that range from \$10.40 to \$42 additional per month.

That has not happened because the municipal government decides it wants increased fees. That has happened because the municipal government has had to deal with the draconian, drastic cutbacks you have imposed upon them.

All you're doing is forcing a shell game. It doesn't matter how you slice it; it is the same taxpayer to whom you pretend you're giving a tax cut who now has to turn around and pay these increased user fees at the provincial level or at the municipal level.

The average steelworker in my community will lose all the tax cut you have given them this year if his or her son or daughter goes to McMaster University next year. That whole tax cut is gone, wiped out, simply as the result of the tuition fee increases you have imposed upon them.

You're saying these policies don't benefit the wealthy of Ontario. Let me tell you that the average person making \$30,000 or \$40,000 who gets a tax cut of \$300 or \$400 this year is going to lose that money very quickly when you look at all the user fees that have been added



at the municipal level. A person making \$100,000 or \$150,000 is going to be in a different ball game. That individual is going to be able to cope quite well, thank you, with a few-hundred-dollar increases here and there, because the benefit they get from the tax cut is substantially higher.

What you are doing is playing games with the people of Ontario. You pretend you're giving people a tax break, but what you are doing is taking it out of one pocket at the municipal level and pretend like you're giving it back to them in the other pocket. The people will not be fooled. Ontarians are starting to wake up and realize that this government did not keep the commitments it made when it talked about no new user fees, no tax hike. That was simply a sham, a crock that you tried to sell to the people of Ontario, and it is one they're going to reject badly four years from now, but unfortunately they're going to reject it in a very painful way every single day for every service they'll have to pay more for as a result of your policies. You're responsible for what has happened across Ontario, and Ontarians are not going to forget what these user fees will become: the largest tax grab, at the end of four years, in the history of this province.

**Mr David Christopherson (Hamilton Centre):** I appreciate an opportunity to join in the Liberal opposition day motion regarding user fees and their impact on the people of Ontario. I want to concur with the comments of my colleague from Hamilton East, who has outlined carefully and accurately the impact on the citizens we collectively represent in the region.

I would, however, like to comment on the remarks of the government member for Hamilton West. I listened very intently to her comments, because of course in a few years she and the rest of you in the government caucus will be called upon to answer for what you have done to the people of Ontario and, more important, the people most vulnerable in our community who have been hurt the most by the actions you've taken.

I noted that the member for Hamilton West said their government was "elected to bring fiscal sanity back," and, a further quote, to bring about "spending more wisely."

It's interesting that just a couple of weeks ago, I spent time with that very same member at a high school, Westdale high school in Hamilton, at a political forum called by the students to talk about the impact of this government's economic agenda and their cuts on the education system. I can tell you that those students, and I suspect they're representative of an awful lot of students across the province, understand very clearly what's going on. They had the facts, the figures, the time frames, they had very pointed questions, and I can tell you that those young leaders of the future do not agree that this government is bringing any kind of fiscal sanity back, nor are they spending more wisely. In fact, those students are very concerned about the cuts as they affect the education system and what it means to them as regards their ability to get the kind of education that they need and that quite frankly they deserve and that, I would go on to say, historically they've had in this province.

1710

They look at the tuition fee increases that are coming when they go on from high school, because a lot of the students who were there were in their last couple of years of high school, and they gave very dramatic examples of what they're facing and what they see.

While we hear members like the one from Hamilton West talking this great macroeconomic miracle that's going to happen to our economy here in Ontario, those students focused on the fact that they have textbooks that are so out of date that they still show the Prime Minister as being Pierre Elliott Trudeau. They are dealing with a shortage of textbooks that's so severe that they have to take the textbooks they have — and by the way, often-times they don't even have textbooks, they've got photocopies, because they don't have the money to provide decent textbooks for our students. They have to take those textbooks and before they're finished the course they're taking, it's not unusual, they tell us, to have to hand those books over to the next class that's beginning the course they are still finishing, because if they didn't do that, that class wouldn't have any textbooks at all.

On my way out, I walked with the teacher who worked with the students in putting on the forum and walked out with one of the students, and they showed me that there hadn't been a complete or adequate paint job in this school for almost 20 years. Westdale is a proud institution in our community. Some of the finest citizens in our community and across Ontario went through that school. I know there are former students who go through there and hang their head in shame at the condition of that school. Why? Because the boards have had to cut to the point where they don't have money to reinvest in maintenance, they don't have the money to invest in textbooks, they don't even have the money to maintain the staff levels they once had.

Let's keep in mind that this is not, as the government would have people believe, an institution that has been immune from the cuts and fiscal constraints of the years leading up to your deadly budget. They've already made the cuts. They've already made the changes. They've already made the institutional realignments that allow them to save the money, all the buzzwords this government talks about as if it was their idea, like nobody ever heard of this before. School boards, certainly the ones in my community, have been doing that for years.

Those students are aware that the \$400 million that's cut from this fiscal year because of the way the fiscal calendar works is equivalent to \$1 billion out of our school system. I asked those students, "Do you think it's a fair tradeoff that this is what's happening to your high school, and you know what the cost is going to be for your university and college education, when this tax cut benefit only means at best \$5 or \$10 a week to your parents?" And that is before we talk about the fee increases that boards and municipalities are having to institute in order to offset the cuts. Their answer was, "Of course not." How can that make any common sense? How can it make common sense that you would give back five or 10 bucks? Most of that you would claw back in user fees and then allow the education system to deteriorate the way it is.



This is a school board that had the courage to say it wasn't going to jettison important programs like junior kindergarten and stood in its place in its governing council and chose to raise property taxes, which is not very popular these days, less so now than ever. They felt it was more important to maintain the integrity of the key priorities and components of an excellent education system rather than bow to the fiscal bottom line of this government.

We see the same thing happening in health care; we sure see it happening to seniors. I have a lot of seniors in my riding because I represent the downtown of Hamilton, which is more convenient and can provide a better quality of life for many seniors by living in the downtown area. In the week that we all spent back in our ridings, I had senior after senior approaching me and telling me they're scared, that they're afraid of the future. They know there's not going to be any great fiscal gain for them. They're not going to have extra money in their pockets.

These are people who have worked all their lives, decent, hardworking people who shouldn't have to fear for their future in the final days that they spend. They shouldn't have to do that, but that's what this government is doing; that's what your agenda is doing to seniors in my riding and I suspect right across Ontario.

As an example, if we take Hamilton seniors who have an income from two pensions of \$20,000 and they take six different prescription drugs a month, which I would suggest is a low calculation for many seniors, the tax cut means \$2.53 every two weeks for those pensioners in my riding. What are they looking at in terms of fee increases? Again, not because anybody locally wanted to raise the fees but because they had no alternative: \$130 more for public transit, based on average usage by seniors, and \$144 per year in new user fees for the Ontario drug benefit plan.

Seniors in Hamilton are worried about their health care system; they're worried about whether or not they're still going to have a home, based on the fact that it looks like this government is going to go after Ontario Housing Corp. They continue to see services they rely on in the community cutting back on their ability to help seniors have the best quality of life they can, a quality of life they worked for that they deserve, that they're entitled to.

I find it obscene that a member from the Tory back benches who represents other seniors in Hamilton would stand up and talk about this great benefit to Ontarians and to seniors like those in my riding when this is what their reality is. Their reality is one of fear, of concern about how they're going to survive, and all they see is government members standing up saying, "The tax cut's going to create all kinds of jobs, and when we create all kinds of jobs, that'll give us all the tax revenue we need and then we'll be able to put it into priority places," all this great, far-right-wing macrononsense that sounds good when you're making a speech but does not work when it trickles down to the average working person in communities like mine in Hamilton. That's not just us.

It was just a couple of months ago when John McCallum, chief economist at the Royal Bank, said, and I quote from a Globe and Mail article, "I don't believe a tax cut financed by spending cuts will stimulate the economy."

1720

No one is being fooled. The name of this game is to take care of your friends, and your friends are the ones who already have the money and have the influence and have the best that our economy has to offer. Quite frankly, people do not resent success. There's nothing wrong with people being successful. What's wrong is to give that very same group of people more, and funding it by taking from the most vulnerable. They took 22% of the money, the income that goes to the poorest people in our province, to pay for this tax cut, where of \$5 billion — which has to be borrowed, by the way, to be paid for — over half goes to the top 10% income earners in the province of Ontario. That's what this is about: It's about taking care of your friends, and everybody else, too bad.

With this government there's us and there's them, and that's how they see it. If you're not one of them, you're the enemy. The enemy is being dealt a vicious hand by this government.

They talk about job creation, that the tax cut is going to give us job creation. Your own statistics in your own budget document show that your target of 725,000 jobs is not going to be met. Those are your own figures. You're not going to achieve that. For the jobs that are created, look what's happening on the labour front: Employment standards rights are being attacked and watered down; health and safety protection is being attacked and watered down and eliminated; benefits to workers injured on the job through no fault of their own are going to be attacked and cut. Of course, that cut will go to pay for a reduction in the assessment rate to many of their friends.

Environmental protection: much of it gone.

**Mr Bradley:** Almost all of it gone.

**Ms Marilyn Churley (Riverdale):** It's almost all gone.

**Mr Christopherson:** I hear from a previous environment minister in the Liberal government and my colleague, a former cabinet minister, the member for Riverdale, that it's almost all gone. It is gone.

This government does not care about that because all they see, as the member for Hamilton West talked about, is what's happening in Michigan. If you really want to see what's going on and understand where this game plan is, take a look down at the United States. Take a look at the agenda of the right wing in the United States today. That's the agenda that's in front of us. They stand up with pride and talk about what's going on in Michigan. You take a look at what they did to the poorest people in Michigan. How can you stand there and take pride in saying that we're doing the same thing? That's not building Ontario; that's not giving people opportunity and hope and the ability to provide for themselves and their families in the future. That's taking away; that's going after the most vulnerable; that's playing the worst kind of politics.

You've designed it in a way that you're hoping school boards and municipalities will be the ones that take the political heat, that they'll take the political fall, and you can run around and take the credit, saying, "We cut taxes and we made sure that the fiscal budget was balanced and



we did this and we did that." The reality is that those cuts and the damage in our communities, like that in mine of Hamilton Centre, Hamilton-Wentworth, is a direct result of what you're doing. It's all in aid of making sure your friends get more. It's a disgusting agenda, and more and more Ontarians are seeing it.

**Mr Terence H. Young (Halton Centre):** I'd like to start out by pointing out that we have introduced absolutely no new user fees into the post-secondary sector, none. Furthermore, anyone criticizing this government for increasing tuition fees would do well to look at the facts and the history in the last 10 years in the province of Ontario.

Over the past decade, increases to tuition fees have been the norm rather than the exception. I say to the member for Hamilton East, who is a member of the Liberal Party, the Liberals increased tuition fees by 30% between 1986 and 1990. To my colleague from Hamilton Centre in the NDP, the NDP government increased tuition fees by almost 50% between 1990 and 1995. Not only that, but it was the NDP that cancelled student grants and made the Ontario student assistance program a loans-only program.

I would also like to point out that, unlike the previous two governments, we had the strongest possible rationale for raising tuition fees: We were left with a deficit of \$9 billion, and that's to say nothing of the debt. This made it necessary for us to introduce modest tuition fee increases. College tuition fees will rise by 15% in 1996-97, to \$1,275, and for universities, basic tuition fees will increase by 10%. As a result, basic tuition fees for undergraduate arts and science students will be \$2,386. In both cases the fees will in all probability be the absolute best value of a student's entire life.

University tuition will be partially deregulated, which means that universities will be able to increase tuition fees by a further 10% at their discretion.

Post-secondary education in this province is clearly one of the best bargains around. College students pay only 24% of the cost of their education and university students pay 33%, still a small portion of the actual cost. If you look at our neighbours south of the border, you'll find American students pay 10 times that amount for a decent education, and sometimes even more.

Education is an investment in the future that students and their parents make. It's not unreasonable that students should pay a fair share of the cost of the education they receive, and this is not an idea that originated with this government. The previous two governments obviously thought students should be paying a larger proportion of their fees.

As is painfully clear, Ontario has been spending beyond its means for too long and there's no way we could continue to run a province with a \$9-billion deficit. As a government, we were spending more on debt interest than we spend on education, and I can tell you, students understand the situation, apparently better than some politicians. I've travelled extensively in the province talking to students and people involved in post-secondary education, and young people are very realistic about the need for us to tighten our belts. They don't want to inherit a huge provincial debt, and most of them

are willing to do their share to help. This government intends to stand by our students and see that they get the sort of help they need.

We have asked that both colleges and universities direct 10% of any new revenues from tuition increases for local student aid. We are also working with the federal government to develop a new student aid model for post-secondary students. We feel that student loans should be geared to what a student earns after graduation. At the same time, we want to ensure access for all students who want a post-secondary education without placing an undue burden on the taxpayers of Ontario.

Furthermore, as Mr Eves announced in the budget, we are providing an incentive to encourage companies and individuals to help Ontario students. We have made it possible for every college and university to establish an Ontario student opportunity trust fund. The province will match any business and individual donation to this fund made before March 31, 1997, and the money will be used to assist academically qualified individuals who for financial reasons would not otherwise be able to attend college or university. The province expects to contribute approximately \$100 million towards this initiative, creating \$200 million in trust funds.

Our commitment to post-secondary education and the students of this province doesn't stop there. We've been talking informally with the educators and students across the province about the future of post-secondary education. Shortly, we will be issuing a discussion paper on post-secondary education that will give us a framework for the way education will work for the next 100 years, and I can assure you that it will work more efficiently, more effectively and more economically. This discussion paper will be the basis for four to six months of consultation among government, post-secondary institutions, private partners and anyone concerned with post-secondary education. It will be an opportunity for all partners to be involved in improving our post-secondary system. And let me add this: Consultation will be a full policy review on certain matters, not just a fiscal exercise.

1730

I believe it is important to get the views of those who are running the system, those who are using the system and those who are paying for it.

We want to address such areas as: What shares of the total cost of education should be borne by the student, the government and the private sector; how we can rationalize programs and differentiate fees for professional and graduate degrees; how we can protect accessibility; and how we can encourage cooperation among the institutions.

When the consultation is completed, we will have a policy framework in place to make important decisions, decisions that will ensure that Ontario has a sustainable post-secondary system that provides high-quality, accountable and affordable education to the greatest number of students.

There is a wealth of ideas and creative thought in our colleges and universities. People are offering up solutions, from special bursaries for students with limited financial means to innovative ideas on restructuring and partnerships. Our colleges and universities are committed to



helping develop a new framework of shared funding responsibilities among students, post-secondary institutions, taxpayers and other community and business partners.

Funding is not the only issue facing our post-secondary institutions. They continue to offer an abundant range of educational opportunities to all learners in the province. They are building upon past successes, and as a government, we will facilitate their future successes.

I'm very proud of our record and direction on post-secondary education. In less than a year, we've become government and we've accomplished a great deal in many different areas. I'm particularly proud of what we've done in post-secondary education and I'm looking forward to further successes in the coming years.

**Mr Joseph N. Tascona (Simcoe Centre):** I'd like to join my caucus colleagues in addressing those issues raised by the member for Fort William. While I'm sure it is obvious that I do not agree with the statements made by the member for Fort William, the member is correct about one thing: There is only one taxpayer in Ontario. Since there is only one taxpayer in Ontario, it is important that my government has already taken steps to address the growing burden that Ontario taxpayers have had to bear during the last 10 years.

Contrary to the member for Fort William's statement, I have not heard any of my constituents refer to Ontario as the home of the user fee. I have, however, heard the expression that Ontario is finally the home of the tax cut. After more than a decade of tax increases by the opposition parties, this moniker is long overdue.

I've had constituents telephone my office to thank Mike Harris for lowering their provincial income taxes. I have also had young families call my constituency office in Barrie and Bradford-West Gwillimbury looking for information about the tax rebate available for first-time new home buyers. I have seen the television stories on the local news featuring families who are not so young any more but are finally able to buy their first home. I have also had people tell me how they're going to spend their tax cut.

There is evidence that tax cuts help to encourage investment in small businesses. A quick look at my riding of Simcoe Centre will show you that small business and entrepreneurship are what drives Ontario's economy.

The member for Fort William charges that government spending cuts and tax cuts are funding the tax cut to the wealthy in Ontario. I'm not sure how my colleague from the official opposition can logically make that claim when we know that it is much more than the wealthy who will benefit from the tax cut.

During the last 10 years of Liberal and NDP governments, the people of Ontario have shouldered the burden of some 65 tax increases. In fact, most of the Liberal and NDP tax increases were at the expense of the middle class, the people of Ontario who work day in and day out trying to get ahead. The Liberals and the NDP didn't focus their tax increases on the wealthy, and my government is not focusing its tax cut on the wealthy either. That's why more than 90% of Ontarians will soon be paying less tax, thanks to the Minister of Finance's budget introduced earlier this month.

The opposition, with their years of tax increases and their dislike for tax cuts, appears to have forgotten that the middle class of this province is not just the wealthy. The middle class includes families with young children who are trying to make ends meet. It includes young people starting out with jobs after completing their schooling. The middle class includes people approaching retirement age, as well as those who have already retired. It includes single parents who have seen more and more of their paycheques eaten up by taxes over the years. Our tax cut will finally make it a little bit easier for almost everyone in Ontario. I have trouble understanding why giving these people a break is such a bad thing.

Spending reductions at the provincial level are also important because there is only one taxpayer. The province has kept that in mind, and it is important for municipalities to realize this as well. Municipalities in my riding have demonstrated that budgets can be kept in line, that services can be provided efficiently and effectively without having to increase taxes.

For too long, the governments of this country at the federal, provincial and local levels have operated on the basis that there is a never-ending supply of money to spend, that taxes and spending can be increased without being accountable to the taxpayers and their ability to pay. Our budget finally took that into account. The people of Ontario haven't been able to afford the tax increases loaded on them by the opposition. Future generations, our children and grandchildren, can't afford the huge debt we will leave them if we don't control government spending.

Our government is taking action to control and reduce that debt. In the process, we have had to make some tough choices, but in the long run these decisions are in the best interests of Ontario's future.

I have consistently said that municipalities must not pass on taxes at the local level. I believe our municipal politicians are responsible to their electorate and know that tax increases can be prevented through careful planning and innovative decisions. This is evident in my riding of Simcoe Centre. Since the Mike Harris government was elected, the city of Barrie has brought in a 0% increase in municipal taxes. This is the city's fifth consecutive year of no tax increases.

I think it is fair to say that in the city of Barrie a new mindset began several years ago. The question has become, what level of service must be provided, and beyond that level, what additional services should be provided and who should be expected to pay for them?

Municipalities face fiscal challenges, but I believe they are prepared to face those challenges as long as the province gives them the tools needed to do the job. Bill 26 gives municipalities those tools.

The city of Barrie experienced a decrease in transfers from the province but it is dealing with that reality responsibly, and other municipalities in my riding are following suit. I'd just like to quote an article from the Barrie Examiner from last night dealing with and entitled "Tax Cut Next on the Agenda." It states:

"Restructuring, laying off employees and finding new, less expensive ways to deliver services have paid dividends for these municipalities." And I'm referring to



Barrie, Innisfil, the townships of Essa, Springwater and Oro-Medonte.

"The town of Innisfil, which passed its 1996 operating budget last week with no increase despite losing \$710,000 in provincial transfer payments, has a simple economic philosophy.

"It's spend what you make, or match your expenditures to your revenues, as Mayor Stewart Fisher said.

"This is, of course, what the private sector has been doing since the economy headed south in the late 1980s, and continues to do in the appropriately named nasty 1990s.

"It's been slower coming in the public sector because administrators and managers there aren't dealing with their own money, but the taxpayers' instead.

"But now the taxpayers are demanding not to pay higher taxes, period. People who haven't had a pay raise in three or four years, or have had to take a pay cut to keep their jobs or even lost their jobs, simply can't afford to pay higher taxes.

"They don't want to hear about union demands or the social contract or rising expenses. There's no more money coming into the household, so there's no more money heading out."

1740

The Simcoe County Board of Education was also able to keep its spending in line and prevent passing on a larger increase to taxpayers. This proves that at the local level responsible decisions can be made. In Simcoe county, the average mill rate increase will be only 1.77%. The Simcoe County Board of Education is a fast-growing board and it would have been easy for trustees to pass on taxes. Instead, they made a more responsible decision, a decision accountable to the people they were elected to represent. Municipalities in my riding have not introduced hundreds of new user fees, as the opposition suggests.

Bill 26 does give municipalities more power. However, for years, municipalities have been asking the provincial governments of the day for more power. With respect to our budget introduced earlier this month and in a follow-up to Bill 26, the mayor of the city of Barrie wrote to me and told me that the city of Barrie is supportive of any initiatives which can be undertaken to ensure that municipalities have the authority and the flexibility required to carry out their vital functions and activities. Bill 26 allows municipalities like Barrie to do that.

The actions taken by my government are a balanced approach to deficit reduction. We have created business plans for our ministries so that taxpayers can be assured that vital and necessary services continue to be provided. For years, governments of the day have asked the people of Ontario to give up more and more of their hard-earned dollars in order to fund services and government programs at increasingly higher costs. For a change, this government has presented a new solution: Just as Ontarians have had to do more with less, the provincial government is learning to do more with less.

There is no reason to believe that our municipalities and local governments are not capable of this. We have asked our ministries and our partners at the municipal and local levels to find efficiencies that will ensure that taxpayers' hard-earned dollars are more responsibly spent.

Bill 26 allows municipalities to make decisions based on local needs. Taxpayers are best at determining how their money is spent. They are intelligent enough to elect municipal leaders who spend their money wisely. They also know enough to elect provincial governments who promise to do the same.

My government made that commitment to the people of Ontario. Our budget allows taxpayers to keep more money in their wallets because the people who earn the money are best equipped to decide how it will be spent. Our budget also moves to reduce our debt by scaling back the size of government. At the same time, we are increasing spending on key services such as child care, technology in the classroom, special education for children with learning disorders and nutrition programs for children and new mothers. Bill 26 and our budget have helped this government reduce the debt. At the same time, we have managed to cut taxes and provide better service at a more efficient price. We have presented a balanced approach to deficit reduction and will continue to do so.

**The Speaker (Hon Allan K. McLean):** The member for St Catharines.

**Mr Bradley:** Thank you, Mr Speaker. As we wind up this debate or get down to the last part of this debate, I know there will be a vote shortly in the House.

**The Speaker:** Excuse me. I didn't know whether you were on a point of order.

**Mr Bradley:** No, I'm not.

**The Speaker:** Then I should be rotating.

**Mr Bradley:** I will be next in the rotation.

**Mr Peter Kormos (Welland-Thorold):** Those guys are Tories.

**The Speaker:** The member for St Catharines.

**Mr Bradley:** Thank you, Mr Speaker. As we wind down, I know we'll be having a vote quite quickly in the House. I think there are a few things that should be said about this particular motion and why I believe it's a supportable motion today.

First of all, as we have said on numerous occasions in the past, one of the problems is that the government has decided it is going to embark upon a 30% income tax cut at a time when the province simply can't afford that income tax cut. It's an income tax cut that will largely benefit the richest, most wealthy people in our society.

It's interesting that government members will say, "Well, everyone's going to benefit," but the president of the bank, the president of a major corporation, a person with a large income, is obviously going to benefit immensely from such a tax cut while the individual who has a modest income is going to benefit very little and is going to have to pay various user fees, whether they're for the provincial government or local governments and agencies.

What the government is doing is cutting the most progressive tax, the tax that takes into account a person's ability to pay, and transferring it to the most regressive tax, that is, the municipal property tax, which does not take into account a person's ability to pay, or to user fees. While user fees hit everyone, of course the most wealthy will be able to afford them and those with the least means in terms of finances will not be able to afford those increases in user fees.



What happens politically is that the province comes off as being popular because they are the ones who are cutting the taxes. They force municipalities and local agencies to be the most unpopular people because they're the ones who have to either raise property taxes or raise their user fees.

In addition to this, the local people, many of whom do not want to go through this exercise now because they've already gone through it over the past few years, will have to make those unpopular decisions and will have to enact measures which are going to prevent people from playing a full role in their society.

The government will have to borrow an additional \$13 billion just to finance the tax break. I haven't found anybody, except government members and a few cheerleaders in the Conservative Party, who think that makes any sense at all, to be borrowing \$13 billion additionally to finance a tax cut to give the money to you and to me. Once the budget is balanced, a lot of people would say you could justify it at that time. They simply don't believe you can justify it at this particular time.

Economists say what you're doing over there — that is, cutting the income taxes at the same time you are cutting expenditures by government — means you're going to have a contractionary effect. Every economist I've talked to has said that. I believe if you talk to John Crispo privately, when he's not at a Conservative meeting, he's going to tell you that, because he knows that to be the case.

What you've done is you've got people fighting at the local level, and that's great politically. In terms of education you've got the Catholic boards fighting with the public boards; you've got the people who believe in junior kindergarten fighting with the people who believe in secondary education or believe in adult education; you've got the boards of education fighting with their employees; you've got teachers in both panels fighting with one another and pointing the fingers at one another. But in fact the finger has to point in only one direction: that is, Toronto; that is, the provincial government; that is, what you are imposing upon them.

Community college students and university students are going to find it more difficult to gain entrance into the universities and colleges of this province at the very time we have to have a highly skilled, highly educated population to be able to compete in an ever-competitive world.

We have seen cuts in social service payments, but at the same time those people are seeing rent controls about to be removed, so that's an increased cost. And in addition to that, those people have to pay additional user fees from a base which is a much more modest base.

The local people do not want to get into raising these fees. We've heard many examples of them across the province. When junior kindergarten is cut, the local board of education ordinarily does not want to cut that; it's forced to cut that by the lack of funding forthcoming from the provincial government.

1750

I read an interesting article in the Burlington Post — someone just brought it to my attention — by Paul Mitchison. It probably demonstrates what the problem is with what the government is doing and how it is affecting people at the local level. It reads as follows:

"And while city politicians passed the budget with no tax hike, many residents are beginning to find out they've been hit with painful new user fees.

"The cost of riding a bus has risen to \$2 from \$1.70 and prices are increasing on everything from minor hockey to green fees at the...municipal golf course. But the new cost of a summer dip reflects the most chilling user fee increase.

"Karen des Tombe said she was 'shocked' to find a family pass for Nelson pool, which cost \$80 last summer, is now a \$307 Family Swim Card.

"The pool was always fun and cheap, but not now," she said, adding she'll now have to limit trips to the pool to an occasional special event. 'Who's going to be using it with these prices?'"

I can answer that question. It will be the rich and the privileged, if they don't have their own.

"The new user fees are listed in the city's latest Recreation and Leisure Guide. A swim card allowing 45 visits to Nelson is now \$307.40, while a book of 10 visits for a five-member family is \$76.80."

A little girl wrote a letter to the Post, and I'll end with this letter. It says the following:

"The Burlington Post also received a letter from a disappointed 14-year-old girl saying her family is on a fixed income, unable to afford a vacation and can't pay the new rates at Nelson.

"My sister and I were really upset because we really enjoyed going to the pool last year and this year we've been told we won't be able to."

That really epitomizes what's happening in Ontario. That is what I call the Americanization of Ontario where the gulf between the rich and the privileged and the poor and those of modest means increases tremendously. And that is what we are trying to end in this province with this resolution.

**Mr Ernie Hardeman (Oxford):** I just want to take a few moments to say I will not be supporting the motion.

*Interjections.*

**Mr Hardeman:** I'm sure everyone is somewhat surprised.

I find it interesting that the Leader of the Opposition would suggest that the reduction in transfer payments to municipalities will be the cause of an immense increase in user fees when in fact from 1986 to 1990 in the province of Ontario municipal grants were increased by 90% at the same time that municipalities were increasing their share of the property tax in the neighbourhood of 20%. It was also during that time that the implementation of user fees was increased well beyond both the increase in provincial funding and the increase in the municipal taxation. So it does not necessarily follow that municipalities are going to use the user fee option to replace provincial funding.

In my city, the city of Woodstock, they were able to set their 1996 budget with no rate increase, and incidentally, they were also not required to implement any major new user fees.

We've heard a lot of talk about the user fees and the different things municipalities will be able to charge user fees for. Again I find it interesting that prior to the government's implementation of Bill 26, user fees could



in fact be charged on some 100 different items in the municipal sector. Bill 26 allows municipalities the opportunity to choose which one or where they think it's the most appropriate place to charge those user fees.

Many areas have been talked about that seem to be, in some people's minds, unique in user fees. In my municipality we have been paying for garbage collection for some time now through a user-pay system, \$1 per bag collected. I want to point out that when that process was implemented in 1993, the waste generated per household was reduced by 40%. It was not a way of raising more money but in fact was a way of paying for services people required, but it also provided the opportunity for the taxpayer to utilize that service in such a way as to not expend any more money than they felt was appropriate.

I see my time has almost expired. I would just suggest again that I think the Leader of the Opposition is wrong in assuming that we will increase user fees by reducing funding.

**The Speaker:** The member's time has expired.

We're dealing with the opposition day number 1 motion standing in the name of Mrs McLeod.

All those in favour of Mrs McLeod's motion will please say "aye."

All those opposed will please say "nay."

In my opinion, the nays have it.

Call in the members. There will be a five-minute bell.

*The division bells rang from 1756 to 1801.*

**The Speaker:** The resolution standing in the name of Mrs McLeod: All those in favour, please rise one at a time.

#### Ayes

|                       |                      |                   |
|-----------------------|----------------------|-------------------|
| Agostino, Dominic     | Cooke, David S.      | McLeod, Lyn       |
| Bartolucci, Rick      | Cordiano, Joseph     | Miclash, Frank    |
| Boyd, Marion          | Crozier, Bruce       | Morin, Gilles E.  |
| Bradley, James J.     | Duncan, Dwight       | Patten, Richard   |
| Brown, Michael A.     | Grandmaître, Bernard | Pupatello, Sandra |
| Caplan, Elinor        | Gravelle, Michael    | Ramsay, David     |
| Castrilli, Annamarie  | Hampton, Howard      | Ruprecht, Tony    |
| Christopherson, David | Kormos, Peter        | Silipo, Tony      |
| Churley, Marilyn      | Lalonde, Jean-Marc   | Wood, Len         |
| Cleary, John C.       | Lankin, Frances      |                   |
| Conway, Sean G.       | Laughren, Floyd      |                   |

**The Speaker:** All those opposed will please rise one at a time.

#### Nays

|                  |                  |                       |
|------------------|------------------|-----------------------|
| Arnott, Ted      | Hardeman, Ernie  | Pettit, Trevor        |
| Baird, John R.   | Harnick, Charles | Preston, Peter        |
| Bassett, Isabel  | Hastings, John   | Rollins, E.J. Douglas |
| Beaubien, Marcel | Jackson, Cameron | Ross, Lillian         |
| Boushy, Dave     | Johns, Helen     | Runciman, Bob         |
| Brown, Jim       | Johnson, Bert    | Shea, Derwyn          |
| Carroll, Jack    | Johnson, David   | Sheehan, Frank        |
| Chudleigh, Ted   | Johnson, Ron     | Skarica, Toni         |
| Danford, Harry   | Jordan, Leo      | Smith, Bruce          |
| Doyle, Ed        | Kells, Morley    | Spina, Joseph         |
| Eves, Ernie L.   | Martiniuk, Gerry | Sterling, Norman W.   |
| Fisher, Barbara  | Maves, Bart      | Stewart, R. Gary      |
| Flaherty, Jim    | Munro, Julia     | Tasca, Joseph N.      |

|                  |                     |                     |
|------------------|---------------------|---------------------|
| Ford, Douglas B. | Murdoch, Bill       | Tilson, David       |
| Fox, Gary        | Newman, Dan         | Tsubouchi, David H. |
| Froese, Tom      | O'Toole, John       | Tumbull, David      |
| Galt, Doug       | Ouellette, Jerry J. | Villeneuve, Noble   |
| Gilchrist, Steve | Palladini, Al       | Wood, Bob           |
| Grimmett, Bill   | Parker, John L.     | Young, Terence H.   |

**Clerk of the House (Mr Claude L. DesRosiers):** The ayes are 31, the nays are 57.

**The Speaker:** I declare the motion lost.

Pursuant to standing order 34, the question that this House do now adjourn is deemed to have been made.

#### SOCIAL ASSISTANCE

**The Speaker (Hon Allan K. McLean):** The member for London Centre has given notice of her dissatisfaction with an answer to her question given by the Minister of Community and Social Services concerning the NAN study with respect to social assistance rates.

The member for London Centre has five minutes and the minister or his parliamentary assistant will have up to five minutes to respond.

**Mrs Marion Boyd (London Centre):** This afternoon the Minister of Community and Social Services displayed a complete lack of understanding of the northern communities which were the subject of my question. This minister has a standard response which he gives to every question that's asked, whether it's relevant or not. The minister is clearly ignoring his responsibility as a minister of the crown to provide representatives of the people with appropriate information in response to the questions that are put in this assembly.

In the first place, the minister suggested that social assistance recipients in Ontario are able to earn back the difference between the old social assistance rates and the new rates, which are 21.6% of those old rates. This is a tired refrain from this minister, one that rings hollow enough in the populated areas of the province, where unemployment is about 9%, but it's ridiculous to offer this as a solution in communities where unemployment rates soar as high as 90%, 10 times what it is here in the south.

There's another thing that's 10 times greater in the north, and that's the scale of the map. A standard road map is huge. Here is Toronto, and way up there is Fort Severn, Fort Albany —

*Interjections.*

**The Speaker:** Order. The members are out of order.

**Mrs Boyd:** We have to find some way to educate this minister on what Ontario is really like. I'm not sure that this minister has any idea what these communities are like at all. They're not large, metropolitan areas, where people have access to services, to public transit, to jobs here and there. In fact, many of the services and opportunities for employment that did exist have been eliminated by this government and this minister.

The Ministry of Northern Development and Mines, for example, eliminated the small communities improvement program that provided minor capital funding for construction and renovation of facilities — jobs.

This minister cut funding to the native friendship centres, cancelled programs like Little Beavers, the



community youth support program, that were helping young people to find jobs. Family services across the north have suffered drastic cuts to their counselling, and now they're unable to help families identify the source and impact of problems.

Then, to add insult to injury, this minister treated this serious issue as another opportunity to tout his so-called workfare program, a program that hasn't even been announced. The problem facing families in remote nations is a simple one: They don't have enough money to keep their families properly nourished and warm. From the little we know about workfare, we can be sure it will not increase family incomes. The minister has clearly stated in the past that people will be working for their welfare benefits, not earning extra money. How does he even dare suggest that this is an answer to communities with 90% unemployment?

Let's look at the issues raised by the Nishnawbe-Aski Nation in Grand Council Treaty 3. Together, they represent 74 first nation communities; almost 50 are accessible only by air for most of the year. Even where there is road access, many social assistance recipients have to travel to larger centres such as Kenora to shop. The social service administrator shopped for items to feed a family of four using the Agriculture Canada thrifty nutritious food basket. A loaf of bread that cost \$1.19 in Thunder Bay was \$2 in Kingfisher Lake, \$3.55 in Fort Severn and \$2.29 in Fort Albany. A can of tuna — of great interest to this minister — cost \$1.60 in Thunder Bay, \$2.95 in Kingfisher Lake, \$2.26 in Fort Severn and a whopping \$3.76 in Fort Albany. There are no stores to shop around, and there is no way to bargain when food is brought into these communities.

Let's look at specific communities. A family of four receives a basic allowance of \$612 a month. If they're shopping at the IGA in Sioux Lookout, they can make their food bill by \$766 using the measure. But if they live in Attawapiskat, where they get the northern allowance, bringing their social assistance to \$892, their groceries cost them \$1,242, or \$350 more than they can afford.

This is not an issue to be taken lightly, to use either as a public relations opportunity for government policies which have yet to be announced. I want a serious answer from the minister. I ask him again, what action are you going to take in response to the NAN Grand Council Treaty 3 findings?

**The Speaker:** The Minister of Community and Social Services for up to five minutes.

**Hon David H. Tsubouchi (Minister of Community and Social Services):** I'm glad to see the honourable member across the way wants a serious answer from me, considering they had a staged demonstration at the earlier part of her little speech with a map of the province. I appreciate the lesson about northern Ontario, since my family is from Fort William and I have a lot of relatives up there. I would hazard a guess I've spent a lot more time in northern Ontario than the member has.

The member opposite raised a question in the House earlier today with respect to the news release by the

Nishnawbe-Aski Nation. I'd like to reiterate this government's commitment to reform the welfare system to break the cycle of dependency which has been created, quite frankly, by the policy of the previous 10 years. The previous government had a policy of more of the same and doing nothing, and in fact made the problem worse. We recognize this challenge for people who live on a restricted budget, but we have maintained the welfare rates at 10% above the average of the other provinces in this country and we do have a special allowance that takes into consideration the unique circumstances associated with living in northern remote communities. This allowance was not reduced, and this was in addition to the current social assistance rates and is based on family size.

In calendar year 1995, we provided approximately \$8 million in northern allowances for people on social assistance. We also provide over \$100 million annually for services for native peoples. We will be working with the first nations communities to look at how we can implement welfare reform, taking into consideration how Ontario Works and community projects can benefit first nations communities.

Since my April meeting with the Chiefs of Ontario, several other meetings have taken place and staff are continuing this important dialogue. This will be done in consultation with other key ministries to ensure a coordinated economic development approach. To that end, the province will, under the leadership of the minister responsible for native affairs, encourage and assist aboriginal economic and community development to reduce dependence on transfer payments and to facilitate greater self-reliance and responsibility for community wellbeing.

The goal of the aboriginal policy framework is a better future in which aboriginal communities have stronger economies and greater capacities to become more self-reliant and exercise greater responsibility for their wellbeing. While aboriginal, federal and provincial governments have a number of ongoing initiatives in place to support economic development, a more coordinated collaboration among all three parties with the private sector may realize even better results.

As part of my government's spring budget, the Minister of Northern Development and Mines has been asked to investigate opportunities for partnerships between government and the private sector to build infrastructure and to stimulate resource development in remote areas north of the 51st parallel. The Northern Ontario Heritage Fund Corp's new board of directors met to begin mapping out plans to invest some \$210 million over the next four years to bring new jobs and growth to northern Ontario.

So yes, we are concerned with native communities and northern Ontario.

**The Speaker:** There being no further matter to debate, I deem the motion to adjourn to have been made. This House stands adjourned until 1:30 of the clock tomorrow.

*The House adjourned at 1814.*

**LEGISLATIVE ASSEMBLY OF ONTARIO**  
**ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO**

Lieutenant Governor / Lieutenant-gouverneur: Lt Col The Hon / L'hon Henry N.R. Jackman CM, KStJ, BA, LLB, LLD  
Speaker / Président: Hon / L'hon Allan K. McLean  
Clerk / Greffier: Claude L. DesRosiers  
Senior Clerk Assistant and Clerk of Journals / Greffier adjoint principal et Greffier des journaux: Alex D. McFedries  
Clerk Assistant and Clerk of Committees / Greffière adjointe et Greffière des comités: Deborah Deller

| Constituency<br>Circonscription | Member/Party<br>Député(e) / Parti  | Constituency<br>Circonscription                 | Member/Party<br>Député(e) / Parti  |
|---------------------------------|--|---|--|
| Algoma                          | Wildman, Bud (ND) Interim leader of the New Democratic Party / Chef par intérim du Nouveau Parti démocratique  | Hamilton West / -Ouest                          | Ross, Lillian (PC)   |
| Algoma-Manitoulin               | Brown, Michael A. (L)  | Hastings-Peterborough                           | Danford, Harry (PC)  |
| Beaches-Woodbine                | Lankin, Frances (ND)   | High Park-Swansea                               | Shea, Derwyn (PC)  |
| Brampton North / -Nord          | Spina, Joseph (PC)   | Huron   | Johns, Helen (PC)  |
| Brampton South / -Sud           | Clement, Tony (PC)   | Kenora  | Miclash, Frank (L)   |
| Brant-Haldimand                 | Preston, Peter L. (PC)   | Kingston and The Islands / Kingston et Les Îles | Gerretsen, John (L)  |
| Brantford                       | Johnson, Ron (PC)  | Kitchener                                       | Wettlaufer, Wayne (PC)   |
| Bruce                           | Fisher, Barb (PC)  | Kitchener-Wilmot                                | Leadston, Gary L. (PC)   |
| Burlington South / -Sud         | <b>Jackson, Hon / L'hon Cameron</b> (PC) Minister without Portfolio (Workers' Compensation Board) / ministre sans portefeuille, ministre responsable de la Commission des accidents du travail | Lake Nipigon / Lac-Nipigon                      | Pouliot, Gilles (ND)   |
| Cambridge                       | Martiniuk, Gerry (PC)  | Lambton   | Beaubien, Marcel (PC)  |
| Carleton                        | <b>Sterling, Hon / L'hon Norman W.</b> (PC) Minister of Consumer and Commercial Relations / ministre de la Consommation et du Commerce   | Lanark-Renfrew                                  | Jordan, Leo (PC)   |
| Carleton East / -Est            | Morin, Gilles E. (L)   | Lawrence  | Cordiano, Joseph (L)   |
| Chatham-Kent                    | Carroll, Jack (PC)   | Leeds-Grenville                                 | <b>Runciman, Hon / L'hon Robert W.</b> (PC) Solicitor General and Minister of Correctional Services / solliciteur général et ministre des Services correctionnels  |
| Cochrane North / -Nord          | Wood, Len (ND)   | Lincoln   | Sheehan, Frank (PC)  |
| Cochrane South / -Sud           | Bisson, Gilles (ND)  | London Centre / -Centre                         | Boyd, Marion (ND)  |
| Corrwall                        | Cleary, John C. (L)  | London North / -Nord                            | <b>Cunningham, Hon / L'hon Dianne</b> (PC) Minister of Intergovernmental Affairs, minister responsible for women's issues / ministre des Affaires intergouvernementales, ministre déléguée à la Condition féminine |
| Don Mills                       | <b>Johnson, Hon / L'hon David</b> (PC) Chair of the Management Board of Cabinet / président du Conseil de gestion  | London South / -Sud                             | Wood, Bob (PC)   |
| Dovercourt                      | Silipo, Tony (ND)  | Markham   | <b>Tsubouchi, Hon / L'hon David H.</b> (PC) Minister of Community and Social Services / ministre des Services sociaux et communautaires  |
| Downsview                       | Castrilli, Annamaria (L)   | Middlesex                                       | Smith, Bruce (PC)  |
| Dufferin-Peel                   | Tilson, David (PC)   | Mississauga East / -Est                         | DeFaria, Carl (PC)   |
| Durham Centre / -Centre         | Flaherty, Jim (PC)   | Mississauga North / -Nord                       | <b>Snobelen, Hon / L'hon John</b> (PC) Minister of Education and Training / ministre de l'Éducation et de la Formation   |
| Durham East / -Est              | O'Toole, John R. (PC)  | Mississauga South / -Sud                        | Marland, Margaret (PC)   |
| Durham West / -Ouest            | Ecker, Janet (PC)  | Mississauga West / -Ouest                       | Sampson, Rob (PC)  |
| Durham-York                     | Munro, Julia (PC)  | Muskoka-Georgian Bay / Muskoka-Baie-Georgienne  | Grimmett, Bill (PC)  |
| Eglinton                        | <b>Saunderson, Hon / L'hon William</b> (PC) Minister of Economic Development, Trade and Tourism / ministre du Développement économique, du Commerce et du Tourisme                             | Nepean  | Baird, John R. (PC)  |
| Elgin                           | North, Peter (Ind)   | Niagara Falls                                   | Maves, Bart (PC)   |
| Essex-Kent                      | Hoy, Pat (L)   | Niagara South / -Sud                            | Hudak, Tim (PC)  |
| Essex South / -Sud              | Crozier, Bruce (L)   | Nickel Belt                                     | Laughren, Floyd (ND)   |
| Etobicoke-Humber                | Ford, Douglas B. (PC)  | Nipissing                                       | <b>Harris, Hon / L'hon Michael D.</b> (PC) Premier and President of the Executive Council / premier ministre et président du Conseil exécutif  |
| Etobicoke-Lakeshore             | Kells, Morley (PC)   | Norfolk   | Barrett, Toby (PC)   |
| Etobicoke-Rexdale               | Hastings, John (PC)  | Northumberland                                  | Galt, Doug (PC)  |
| Etobicoke West / -Ouest         | Stockwell, Chris (PC)  | Oakville South / -Sud                           | Carr, Gary (PC)  |
| Fort William                    | McLeod, Lyn (L) Leader of the Opposition / chef de l'opposition  | Oakwood   | Colle, Mike (L)  |
| Fort York                       | Marchese, Rosario (ND)   | Oriole  | Caplan, Elinor (L)   |
| Frontenac-Addington             | Vankoughnet, Bill (Ind)  | Oshawa  | Ouellette, Jerry J. (PC)   |
| Grey-Owen Sound                 | Murdoch, Bill (PC)   | Ottawa Centre / -Centre                         | Patten, Richard (L)  |
| Guelph                          | <b>Elliott, Hon / L'hon Brenda</b> (PC) Minister of Environment and Energy / ministre de l'Environnement et de l'Énergie   | Ottawa East / -Est                              | Grandmaître, Bernard (L)   |
| Halton Centre / -Centre         | Young, Terence H. (PC)   | Ottawa-Rideau                                   | Guzzo, Garry J. (PC)   |
| Halton North / -Nord            | Chudleigh, Ted (PC)  | Ottawa South / -Sud                             | McGuinty, Dalton (L)   |
| Hamilton Centre / -Centre       | Christopherson, David (ND)   | Ottawa West / -Ouest                            | Chiarelli, Robert (L)  |
| Hamilton East / -Est            | Agostino, Dominic (L)  | Oxford  | Hardeman, Ernie (PC)   |
| Hamilton Mountain               | Pettit, Trevor (PC)  | Parkdale  | Ruprecht, Tony (L)   |



| Constituency<br>Circonscription  | Member/Party<br>Député(e) / Parti  | Constituency<br>Circonscription | Member/Party<br>Député(e) / Parti  |
|--|--|---------------------------------|--|
| Parry Sound  | <b>Eves, Hon / L'hon Ernie L.</b> (PC) Deputy Premier, Minister of Finance, government House leader / vice-premier ministre, ministre des Finances, leader parlementaire du gouvernement   | Scarborough North / -Nord       | Curling, Alvin (L)   |
| Perth  | Johnson, Bert (PC)   | Scarborough West / -Ouest       | Brown, Jim (PC)  |
| Peterborough   | Stewart, R. Gary (PC)  | Simcoe Centre / -Centre         | Tascona, Joseph N. (PC)  |
| Port Arthur  | Gravelle, Michael (L)  | Simcoe East / -Est              | <b>McLean, Hon / L'hon Allan K.</b> (PC) Speaker / Président   |
| Prescott and Russell /<br>Prescott et Russell                                      | Lalonde, Jean-Marc (L)   | Simcoe West / -Ouest            | <b>Wilson, Hon / L'hon Jim</b> (PC) Minister of Health / ministre de la Santé  |
| Prince Edward-Lennox-<br>South Hastings /<br>Prince Edward-Lennox-<br>Hastings-Sud | Fox, Gary (PC)   | Sudbury                         | Bartolucci, Rick (L)   |
| Quinte   | Rollins, E.J. Douglas (PC)   | Sudbury East / -Est             | Martel, Shelley (ND)   |
| Rainy River  | Hampton, Howard (ND)   | Timiskaming                     | Ramsay, David (L)  |
| Renfrew North / -Nord  | Conway, Sean G. (L)  | Victoria-Haliburton             | <b>Hodgson, Hon / L'hon Chris</b> (PC) Minister of Natural Resources, Minister of Northern Development and Mines / ministre des Richesses naturelles, ministre du Développement du Nord et des Mines |
| Riverdale  | Churley, Marilyn (ND)  | Waterloo North / -Nord          | <b>Witmer, Hon / L'hon Elizabeth</b> (PC) Minister of Labour / ministre du Travail   |
| S-D-G & East Grenville /<br>S-D-G et Grenville-Est                                 | <b>Villeneuve, Hon / L'hon Noble</b> (PC) Minister of Agriculture, Food and Rural Affairs, minister responsible for francophone affairs / ministre de l'Agriculture, de l'Alimentation et des Affaires rurales, ministre délégué aux Affaires francophones | Welland-Thorold                 | Kormos, Peter (ND)   |
| St Andrew-St Patrick   | Bassett, Isabel (PC)   | Wellington                      | Amott, Ted (PC)  |
| St Catharines  | Bradley, James J. (L)  | Wentworth East / -Est           | Doyle, Ed (PC)   |
| St Catharines-Brock  | Froese, Tom (PC)   | Wentworth North / -Nord         | Skarica, Toni (PC)   |
| St George-St David   | <b>Leach, Hon / L'hon Al</b> (PC) Minister of Municipal Affairs and Housing / ministre des Affaires municipales et du Logement   | Willowdale                      | <b>Harnick, Hon / L'hon Charles</b> (PC) Attorney General, minister responsible for native affairs / procureur général, ministre délégué aux Affaires autochtones                                    |
| Samia  | Boushy, Dave (PC)  | Wilson Heights                  | Kwinter, Monte (L)   |
| Sault Ste Marie /<br>Sault-Sainte-Marie  | Martin, Tony (ND)  | Windsor-Riverside               | Cooke, David S. (ND)   |
| Scarborough-Agincourt  | Phillips, Gerry (L)  | Windsor-Sandwich                | Pupatello, Sandra (L)  |
| Scarborough Centre / -Centre   | Newman, Dan (PC)   | Windsor-Walkerville             | Duncan, Dwight (L)   |
| Scarborough East / -Est  | Gilchrist, Steve (PC)  | York Centre / -Centre           | <b>Palladini, Hon / L'hon Al</b> (PC) Minister of Transportation / ministre des Transports   |
| Scarborough-Ellesmere  | <b>Mushinski, Hon / L'hon Marilyn</b> (PC) Minister of Citizenship, Culture and Recreation / ministre des Affaires civiques, de la Culture et des Loisirs  | York East / -Est                | Parker, John L. (PC)   |
|  |  | York Mills                      | Tumbull, David (PC)  |
|  |  | York-Mackenzie                  | Klees, Frank (PC)  |
|  |  | Yorkview                        | Sergio, Mario (L)  |
|  |  | York South / -Sud               | Vacant   |

A list arranged by members' surnames and including all responsibilities of each member appears in the first and last issues of each session and on the first Monday of each month.

Une liste alphabétique des noms des députés, comprenant toutes les responsabilités de chaque député, figure dans les premier et dernier numéros de chaque session et le premier lundi de chaque mois.

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David Ramsay, David Tilson  
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Toby Barrett, Gilles Bisson, Jim Brown,  
Michael A. Brown, John C. Cleary, Tony Clement,  
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Tony Martin, E.J. Douglas Rollins, Lillian Ross,  
Frank Sheehan, Wayne Wettlaufer  
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Ted Chudleigh, Douglas B. Ford, Tim Hudak,  
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Gerry Phillips, Rob Sampson, Tony Silipo,  
Joseph Spina, Wayne Wettlaufer  
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Bernard Grandmaître, Ernie Hardeman, Morley Kells,  
Rosario Marchese, Bart Maves, Sandra Papatello,  
Mario Sergio, R. Gary Stewart, Joseph N. Tascona,  
Len Wood, Terence H. Young  
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Ron Johnson, Frank Miclash, Gilles E. Morin,  
John R. O'Toole, Tony Silipo, R. Gary Stewart  
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Michael Gravelle, Helen Johns, Leo Jordan,  
Floyd Laughren, Julia Munro, Dan Newman,  
Richard Patten, Trevor Pettit, Peter L. Preston,  
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